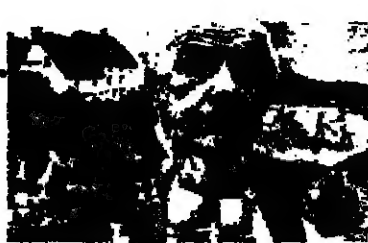


Weekend FINANCIAL TIMES

Weekend FT
Betjerman's better
class of holiday



Wacky Westwood
meets classic Dior



Long delays at
air traffic control



SECTION II

World Business Newspaper <http://www.FT.com>

WEEKEND AUGUST 17/AUGUST 18 1997

Alan Bond faces jail again after fraud conviction

Australian magnate Alan Bond, who built and lost an international brewing, media and property empire - is facing a second period in jail after being found guilty of company fraud over the purchase and resale of "La Promenade", the French impressionist painting by Edoard Manet. Page 24

Release of De Lorean files ordered: A US court has ordered that confidential US government documents, including cabinet minutes, relating to the failed De Lorean sports car venture should be opened to public scrutiny. Page 4

Mixed praise for Dole speech: Republican presidential nominee Bob Dole tried to portray his party as kinder and more inclusive in an acceptance speech that earned lukewarm praise from delegates at the San Diego convention. Page 24; New enthusiasm, Page 8

London stocks jump to new records:

The FT-SE 100 index ended the week with both an all-time intraday high of 3,573.1 points and a new closing record of 3,572.5, a gain of 35.5 over Thursday's close. London stocks were boosted by a combination of favourable economic data, the expiry of August index options and an encouraging start on Wall Street. The FT-SE 100 has risen by 240 points since July 15 and by 62 points this week. Page 21; World stocks, Page 18; Lex, Page 24; Markets, Weekend Page XVIII

Lloyd's of London chief executive Ron Sandler has flown to Virginia to give evidence in a US federal court case which poses a significant threat to the insurance market's £3.2bn (\$4.5bn) recovery plan. Takeover activity continues. Page 6

Scania Automobiles, the Swedish carmaker managed and half-owned by General Motors of the US, reported first-half losses of \$K428m (\$64.5m) and warned that earnings would be hit by high marketing and product development costs throughout 1996 and 1997. Page 6

Subarto rejects calls for change: Indonesia's President Suharto dismissed calls for change in a country's political structure after recent riots by supporters of ousted opposition leader Megawati Sukarnoputri, and warned of a lurking communist threat. Page 3

British Aerospace and French defence and media company, Lagardere Group, confirmed they have merged their missile operations to create Europe's largest guided weapons company with a turnover of £1bn (\$1.5bn). Page 5

Former Indian minister's house raided: India's federal police said it raided two homes of former communications minister Sukh Ram, charged with offering favours to an Indian telecommunications firm, and seized Rs30m (\$840,000) in cash. Page 3

Thousands at Cyprus funeral: Thousands of Greek Cypriots attended the funeral of Solomon Solomon, who was shot by Turkish Cypriot soldiers as he tried to pull down a Turkish flag in the UN-patrolled buffer zone separating the two communities in Cyprus. Page 2

Australia may sell uranium to Taiwan: Australia's conservative government said it was considering selling uranium to Taiwan, risking a strain in relations with Beijing ahead of the visit of Australian foreign minister Alexander Downer to China next week. Page 3

End of the road for Calcutta's rickshaw: A symbol of the teeming Indian city of Calcutta - the rickshaw - will be barred from its jammed streets at the end of the year to help speed traffic flow, West Bengal state officials said.

FT.com the FT web site provides online news, comment and analysis at <http://www.FT.com>

Companies in this issue

Artours	Granada	5
Avonpa Resources	Hoechst Schering Ag.	6
Axon	Inspec	6
BAA	Lagardere	5
BASF	London Scottish Bank	5
B&S	Medwest	5
Bakyrchik Gold	Metra Defense Espaces	5
Barrick Gold	McDonalds	4
Bitfarms	Murray Lawrence	5
Brown & Jackson	Pepsi-Cola	1, 24
Christopherson Health	Plant Genetic Sys.	5
Coca-Cola	Protein	5
Colson	Scania Auto	5
Coulson	Scott Piddford	5
Dax Insurance	Skytel	5
FTS Systems	Sunk International	5
Formosa Plastics	Thom EMI	5, 24
Forster (John)	Unilever	5
General Motors	Wicks	5

For customer service and other general enquiries call:

Frankfurt
(69) 15685150

Atlanta 1800 255 2555; Berlin 030 255 2555; Brussels 020 255 2555; Canada 1800 255 2555; China 1800 255 2555; Cyprus 1800 255 2555; Denmark 045 255 2555; Egypt 1800 255 2555; France 01 255 2555; Germany 030 255 2555; Hong Kong 1800 255 2555; Hungary 1800 255 2555; India 1800 255 2555; Indonesia 1800 255 2555; Israel 1800 255 2555; Italy 1800 255 2555; Japan 1800 255 2555; Korea 1800 255 2555; Luxembourg 1800 255 2555; Malaysia 1800 255 2555; Mexico 1800 255 2555; Monaco 1800 255 2555; Netherlands 1800 255 2555; New Zealand 1800 255 2555; Norway 1800 255 2555; Oman 1800 255 2555; Pakistan 1800 255 2555; Philippines 1800 255 2555; Poland 1800 255 2555; Portugal 1800 255 2555; Saudi Arabia 1800 255 2555; Singapore 1800 255 2555; South Africa 1800 255 2555; Spain 1800 255 2555; Sri Lanka 1800 255 2555; Sweden 1800 255 2555; Switzerland 1800 255 2555; Taiwan 1800 255 2555; Thailand 1800 255 2555; Turkey 1800 255 2555; USA 1800 255 2555; Venezuela 1800 255 2555; Zimbabwe 1800 255 2555

© THE FINANCIAL TIMES LIMITED 1996 No 33,064

Lebed calls for interior minister to be sacked

By John Thornhill in Moscow

Mr Alexander Lebed, Russia's national security adviser, yesterday blamed the country's interior minister for allowing the conflict in Chechnya to get out of control and in effect demanded that President Boris Yeltsin sack him.

It was the latest in a series of public personal attacks by Mr Lebed on the competence of senior Russian politicians which is beginning to tarnish the credibility of Mr Yeltsin's entire administration.

Mr Lebed told a press conference that General Anatoly Kulikov, who was only confirmed as interior minister on Thursday, had "failed in discharging his duty to Russia".

"It is my profound conviction that he can no longer stay in his ministerial post," Mr Lebed said. "Only one person

can remain in our system, either Lebed or Kulikov."

Gen Kulikov denied Mr Lebed's accusation and said he would appeal to Mr Yeltsin for his adjudication. Mr Lebed said he had already discussed the issue with Mr Yeltsin.

Mr Lebed appears to enjoy Mr Yeltsin's strong backing. Earlier this week, the Russian president strengthened the powers of the Security Council, which Mr Lebed has chaired since June, giving him the authority to co-ordinate every aspect of Russian policy towards Chechnya.

Mr Lebed has visited Chechnya twice this week in an attempt to reach a peace settlement. He appears to command more respect among the rebel Chechen leadership than any other Russian politician and probably represents Mr Yeltsin's best hope of resolving the



Alexander Lebed (left) held talks with the Chechen separatist leader Zelimkhan Yandarbiyev and other rebels before denouncing the grim conditions he had seen in the breakaway region. Picture: AP

20-month conflict, which has cost more than 30,000 lives.

Mr Zelimkhan Yandarbiyev, the Chechen leader who held talks with Mr Lebed on Thursday, said the rebels were prepared to meet Russia on the road to peace. "Lebed has every chance of bringing peace to Chechnya and to the whole north Caucasus," Mr Yandarbiyev said, according to the Interfax news agency.

But a temporary ceasefire agreed this week appears shaky and sporadic fighting

was again reported yesterday in different Chechnya regions.

Mr Lebed painted a fearful picture of the damage that the Chechen conflict had inflicted on the civilian population, the Russian armed forces and the nation's prestige in the world and said Russia could never win the conflict without even worse carnage.

He said there was no wisdom when Russia fought in Afghanistan "and there is no wisdom now". Some observers suggested Mr Lebed's attack

on Gen Kulikov might be designed to salvage the army's reputation and win support from its generals. There has long been antagonism between the regular army and the interior ministry troops in Chechnya.

Gen Kulikov has been widely blamed for failing to anticipate the separatist raid on Grozny last Tuesday allowing hundreds of rebels to infiltrate the regional capital.

Man in the News, Page 9

Taiwan group suspends \$3bn China plan

By Laura Tyson in Taipei

Formosa Plastics, the Taiwanese petrochemicals group, yesterday suspended plans to build a \$3bn thermal power plant in China's Fujian province pending a policy review by the Taipei government of investment on the mainland.

Taiwan's Investment Commission, which must approve large private sector investments across the Taiwan Strait, said the group had withdrawn its application, which was granted initial approval earlier this week.

The move came after Presi-

dent Lee Teng-hui called for new guidelines on China investment, which he said has hurt investment at home and damaged Taiwan's international competitiveness. He also said too much attention was being placed on restoring direct cross-strait shipping and air links.

"We have to review the idea of using mainland China as a main market in our Asia-Pacific centre project," Mr Lee told the National Assembly. His remarks, which went against a trend of increasing

co-operation between Beijing and Taipei, startled the island's financial markets. Senior ruling party officials moved quickly to play down Mr Lee's comments, saying he meant only that businesses should seek to diversify investments, not that Taiwan had reversed its policy.

Mr Wang Yung-ching, chairman of Formosa Plastics, signed an agreement in May with Fujian authorities to build the thermal power plant before seeking approval from the Taiwan government. This

is not the first time Mr Wang has become embroiled in a conflict with the government over a controversial investment plan. In the early 1990s, Formosa cancelled a \$5bn plan to build a petrochemical complex in Fujian after years of tussling with the government.

Formosa transferred the project to Taiwan, but recently complained that construction of the plant - now estimated to cost \$10bn - was proceeding too slowly because of government and environmental obstacles. Some 30,000 Taiwan-

ese businesses have invested \$24bn in China since the late 1980s, when ties between Taipei and Beijing began to thaw for the first time since a 1949 split. But China continues to regard Taiwan as a renegade province and threatens to recover the island by force if it seeks independence.

Taiwan and China have been rivals since the civil war, which ended in 1949, with the Nationalist Chinese administration fleeing to the island. Until the 1980s, Taipei had maintained a strict policy of no contact with Beijing, but restrictions have since gradually eased.

'Elvis-holic' seeking UK home for the king's jewels

By Clay Harris in London

If it was worth £2.04m (\$3.1m) to the National Galleries of Scotland to save a 17th-century Italian painting from export to California, what price should Britain put on the white shell necklace Elvis Presley wore on his last vacation?

While Scotland was yesterday celebrating the last-minute salvation of Guernico's "Erminia Finding the Wounded Tancréd", Mr Vince Everett was in London pleading for a benefactor to step forward to give a permanent British home to another manifestation of imported culture.

Mr Everett, who changed his name by deed poll to that of the character Presley played in

Jailhouse Rock, claims that his 3,000-piece collection of Elvis memorabilia is the largest in private hands apart from that at the Graceland mansion in Memphis where the star lived.

A self-described "Elvis-holic", 61-year-old Mr Everett says he can no longer afford to take care of the collection, which is scattered around bank vaults, storage sheds and his lock-up shop.

He wants a 5,000 sq ft permanent building or travelling exhibition to display items which range from Elvis's 4½ ounce solid gold bracelet to the electronic gate opener from Graceland.

Born in the same month as his hero, Mr Everett has been collecting Elvis items for 40

years. His fellow Presley promoter, Mr Sid Shaw, owner of the Elvis Yours shop in London, said yesterday of Mr Everett: "He's a walking, talking computer on Elvis - he's an Elvis-holic."

Dressed in a silver lamé jacket, Mr Everett was short of specifics about the value of his collection or the source of offers for it from Japan or the US, although he hinted that a Nevada casino had expressed interest.

A small proportion of the collection was inherited for £255,000 when it went to Japan last year for display in a Mitsubishi department store. On that trip, Mr Shaw said, his

Continued on Page 24

STOCK MARKET INDICES			
FT-SE 100: 3,572.5 (+35.5)			
Yield: 4.04			
FT-SE Europe 100: 1,448.44 (+10.79)			
FT-SE 4 All-Share: 1,911.25 (+10.79)			
Nikkei: 22,554.08 (+134.25)			
New York Composite: 5,887.97 (+22.18)			
Dow Jones Ind Ave: 5,887.97 (+22.18)			
S & P Composite: 988.20 (+3.22)			
LONDON MONEY			
3-mth bank bill: 5.12% (same)			
6-mth bank bill: 5.12% (same)			
12-mth bank bill: 5.12% (same)			
3-mth Treasury bill: 5.12% (same)			
6-mth Treasury bill: 5.12% (same)			
12-mth Treasury bill: 5.12% (same)			
US LUNCHTIME RATES			
Federal Funds: 5.12% (same)			
3-m Treasury bill: 5.12% (same)			
Long Bond: 5.12% (same)			
Yield: 5.12% (same)			
NORTH SEA OIL (August)			
Brent Dated: \$21.28 (+0.03)			
GOLD			
New York ComexDec: \$391.4 (+0.1)			
London: \$391.2 (+0.1)			
STERLING			
New York lunchtime: \$1.5475			
London: \$1.5475			
DOLLAR			
New York lunchtime: DM 1.488			
London: DM 1.488			
New York lunchtime: Sfr 1.2117			
London: Sfr 1.2117			
New York lunchtime: ¥107.75			
London: ¥107.75			

CONTENTS			
News	Letters	Foreign Exchanges	Recent Issues
International News	Man in the News	Gold Markets	Share Information
UK News	Companies	Equity Options	World Commodities
Weather	UK/Int'l	London SE	Wall Street
Law	Microtech	US Dealings	Business
Features	FT-SE Analysis	Managed Funds	Weekend FT
Leisure Page	FT-SE A-Wide Index	Money Markets	Section II

Microwaves,
lawnmowers,
computers.
We're always
looking for
labour-making
devices.

Name: _____ Company: _____

Address: _____

Postcode: _____ Tel: _____ Fax: _____

I am specifically interested in Offices ☐ Factories ☐ Respective sites ☐

TYNE
WEAR
LABOUR-MAKING
DEVICES

مكتبة الأصيل

NEWS: INTERNATIONAL

Sarajevans eye the friendly invaders

By Laura Silber
recently in Sarajevo

In Sarajevo's Bascarsija bazaar the newcomers are easy to spot. Their money-belts strapped securely to their waists are a more ever-present mark of contrast with the locals than the military uniforms, stylish suits or Gucci shoes they sometimes wear. On their faces they sip Turkish coffee in cafes eye them impassively.

Since the implementation of the Dayton plan began last January, Sarajevo has become a mecca for tens of thousands of soldiers with the Nato-led peace force, foreign aid workers, diplomats and observers, all part of the huge apparatus deployed to reunify war-torn Bosnia.

After four years of war, the inhabitants of Sarajevo seem to take the foreign invasion in their stride. For them, it is a sign that their city is now safe even if daily existence remains a struggle. Many city residents who speak English work for one of hundreds of international organisations registered in Sarajevo. Wages are much higher than in a Bosnian

company. In any case, finding a job at all is difficult, for less than a quarter of the population is employed. Those who have homes which have been spared the destruction of war are renting rooms or flats. Houses with electricity and water running 24 hours a day are in great demand. A room for a night is DM100 (\$67). Rent for a two-bedroom flat runs at about DM1,200 a month. A house suitable for the upper echelons of the foreign community costs considerably more.

Cut off from the outside world by the Serb siege, Sarajevo has had its phone lines restored - except to Serb-held parts of Bosnia. To call abroad however, a fee of DM1,300 and a DM1,000 deposit must be paid to the Bosnian post.

Otherwise, it is impossible to call outside the Moslem-Croat Federation - which comprises 51 per cent of Bosnia, leaving the rest to the Serbs. Even then it takes time: bureaucracy has returned with peace. While Sarajevo has welcomed the foreigners, many say that the outsiders know little about Bosnia, believing that it as country torn by ancient ethnic hatreds. "We all used to live together. Then the Serbs from the hills began the war. The west wants to believe that we are all different," says Adil, a 25-year-old who defended Sarajevo.

"Now the westerners say we are Mujahideen. Sure, I am a Moslem, but I am a regular guy. I like women and alcohol. We are no different," he says. "The foreigners come in here, make their careers out of our misfortune," says Adil, a former student who now drives a taxi to earn a living.

Zijo, who sells tasty cevapi, cici, grilled minced-lamb in pita bread, says business has picked up. Around the corner from the office of Mr Carl Bildt, the senior international mediator to Bosnia in charge of the Dayton plan, Zijo says: "They are good customers, but worry about every dinar spent" (100 Bosnian dinars equal DM1).

Nearly, the old men still sip their coffee, not bothered by the parade of foreigners. "Before the war there were tourists, too," says one.

Germany, France to discuss military transport

By Michael Lindemann
in Bonn and Andrew Jack
in Paris

Germany is likely to step up pressure on France tomorrow - at a meeting of the two countries' defence ministers - to agree to the manufacture of the NH90 transport helicopter, a joint programme they have been discussing for several years.

Mr Charles Millon, France's defence minister, and Mr Volker Rühse, Germany's defence minister, will also discuss progress of two other joint defence projects - the Future Large Aircraft, the new generation of European military transport aircraft, and the Helios reconnaissance satellite.

Disagreement about the NH90 is just one of several differences which have marred Franco-German relations this year since President Jacques Chirac's unilateral decision to abolish conscription and withdraw almost 90 per cent of the 20,000 French troops still stationed in Germany.

Germany needs the NH90 helicopter to guarantee army mobility but France is more concerned to see production of the Tiger attack helicopter, better suited to their more offensive international operations.

Although a final decision about the NH90 and other projects is not expected until the biannual Franco-German summit in the autumn, much of tomorrow's discussion, to be held in the village of Bellefleur in eastern France, is likely to focus on reaching accord on this issue, which has been dragging on for several months since both ministers were told to find defence cuts earlier this year.

"Germany is likely to reduce the number of Tigers it will take and at the same time extract a proper French commitment to the NH90 - something which has so far not been forthcoming," said an official in Bonn.

Media spotlight focuses on Bossi

Robert Graham on the antics of the Northern League chief



Umberto Bossi: television and newspapers seem to have concluded that he could not be ignored

With a loud mouth, provocative humour and an astute sense of theatre, Umberto Bossi, the leader of the populist Northern League, has occupied centre stage during the torpor of Italy's summer holidays.

Across the ubiquitous television screen and in a stream of garrulous newspaper interviews he unveiled secret service plots, threatened to blow up the state TV transmitters, antagonised ministers and expelled party members. To cap it all, he has announced elaborate plans to sail a flotilla down the River Po and then declare on September 15 in Venice the independence of "the republic of Padania".

The more he talks, the more the reactions and the more he is recorded. Neither television nor newspapers seem to have concluded he could be ignored. Nor indeed has he been obliged to define geographical confines of his new republic. It has been left to the media to draw up their own maps, shading in Italy north of the Po and east to former Yugoslavia.

One day this week, when he chose silence, even this was an item on the main news of the state TV station. From the limelight look on his face as he held hands with his family in his heartland in the hills behind Brescia, he is enjoying every moment. Like a fisherman, he has cast his line and everyone is rising to the bait.

August began with the League leader giving parliament a foretaste of his intended proclamation of independence. This brought immediate rebukes including the threat of prosecution.

Before this row had subsided, Mr Bossi had turned a party power struggle with Ms Irene Pivetti, the former speaker of the chamber of deputies.

Because she opposed his secessionist posturing and sought to capture the moderate in the League, he intemperately declared her persona non grata. She was banned from entering party premises and the League "green shirt" members were deployed to prevent her holding public meetings.

While this was in progress, Mr Bossi managed to incur more wrath by an outburst against the centre-left Prodi government's choice of appointees to head the RAI. Seeing the League had not been consulted and had been given no share of the broadcasting cake, he declared with relish: "We'll blow up the RAI transmitters in the north".

A few days before this outburst he had extolled the virtues of Ghandian non-violence and claimed an affinity with the late Indian leader.

To keep up the momentum in a dead mid-August, Mr Bossi produced a "secret" document from a "Department D" of the intelligence service, which outlined a plan code-named "Lombard Vendetta". The plan involved efforts to smear the League by the intelligence services blowing up a bank in Lombardy, blaming it on secessionist hardliners.

The defence ministry denied the existence of such a document and said the document was a fake. Within two days it was obvious Mr Bossi had been duped - perhaps even by the intelligence services themselves.

Instead of being made to look ridiculous, Mr Bossi was saved by the publicity from a fierce verbal attack on him by Mr Antonio Di Pietro, the public works minister, and former Milan magistrate. Mr Di Pietro, who two years ago interrogated

Mr Bossi over L200m (\$132,000) of funds illegally given to the League, said he should be sent for trial for allegedly undermining the state. Mr Bossi immediately invited in the press and bared his chest ready to go to jail. He then reminded Mr Di Pietro that one day Padania would have its jails.

Mr Bossi is now pressing ahead with preparations for his independence announcement. On September 13 he will board a catamaran on the Po near Mantua (the seat of the League's self-declared Parliament of the North) and head a two-day procession down to the river mouth.

Behind all this is a cool calculation. Although the League won 29 deputies on 10 per cent of the national vote in the April general elections, the party is rejected as an unreliable partner by government and

opposition. Mr Bossi has to retain the League's visibility and prepare for when either the government coalition or the alliance of rightwing opposition parties breaks up. In this he is succeeding.

But will he really declare independence when almost two thirds of his own party are against it, let alone everyone else in the north? Behind the bravado, things are not so straightforward.

"September 15 will be a big day of prayer for the federal republic of Padania. No violence. I have said and repeat: we are Ghandians," he said last week.

And when asked if he thought it feasible to create a separate state with a different currency and remove all the many southern officials from the north, he replied: "If this is not possible, we will see if we can set up parallel institutions. Our fantasy is without limit."

Housing starts show fall in US

Construction starts on new homes and apartments in the US dropped for a third straight month in July as costlier mortgages put a drag on the housing market, the Commerce Department said yesterday.

Total starts dropped 1.3 per cent to a seasonally adjusted annual rate of 1.46m in July, after a revised 0.3 per cent fall in June and a 2.2 per cent decline in May.

Interest-rate rises that began in the spring appear finally to be slowing down the housing industry by boosting monthly payments to levels that are eliminating some buyers.

Construction starts on single-family homes dropped 5.7 per cent in July to a rate of 1.13m - the biggest monthly fall since a 12 per cent plunge in January 1995 - after a 5 per cent rise in June. But starts on apartments were up 17.9 per cent to a rate of 322,000 in July, largely reversing an 18.3 per cent drop in June.

Previously, the department said June housing starts had risen 1.3 per cent to 1.48m but it revised that

estimate down sharply. The last time housing starts fell for three months in a row was over a year ago from January to March 1995, the department said.

Mortgage rates that had fallen sharply over the course of 1995 began to bump upward this year. The Federal Home Loan Mortgage Corporation said rates for a 30-year loan averaged 8.25 per cent in July, down slightly from 8.32 per cent in June.

The National Association of Home Builders said recently its housing market index fell for a third straight month in August. Not only were sales down but so was traffic at model-home sites as costlier mortgages priced would-be buyers out of the market, builders reported.

Total starts in July were 0.3 per cent higher than in July 1995, when they were running at a rate of 1.45m a year. While the market may be leveling off, there was no indication it was in sharp decline. Applications for building permits rose 2.6 per cent in July to a seasonally adjusted annual rate of 1.45m.

Finland ponders ERM as first step to Emu

By Greg Melvor
in Stockholm

Finland said yesterday it was considering whether to join the European exchange rate mechanism as a preliminary to participation in a single currency, and would make a decision in autumn.

Mr Paavo Lipponen, the prime minister, said the government and central bank were analysing the question of ERM membership. "We have had currency stability, interest rate stability and our public finances are under control. So we have a good basis to decide whether we enter or not," he said.

The comments came as Mr Lipponen's five-party "rainbow coalition" reached accord on a 1997 budget which will cut public spending by 3.5 per cent next year as part of a drive to stabilise central government debt.

Mr Lipponen signalled Finland was prepared to join the ERM before Sweden, its Nordic neighbour, and would make its judgment this autumn.



Public debt as % of GDP

There has been speculation both countries might seek to co-ordinate eventual participation, but Mr Lipponen stressed: "We have to make our own decision."

However, he said he had discussed the issue with Mr Göran Persson, the Swedish prime minister, and believed Sweden would "eventually come of age" on the question. Opinion polls suggest a majority of Swedish voters oppose monetary union.

Mr Lipponen reiterated Finland's determination to be among the first batch of states to form a single currency, saying the country

needed the stability and credibility that would flow from participation.

The government said its budget would bring it inside the convergence criteria set for European monetary union (EMU).

Inflation was expected to average 1.5 per cent next year, the public sector deficit would be 1.5 per cent of gross domestic product, and government debt would be 61.1 per cent of GDP - just outside the EMU 60 per cent hurdle, but falling below it in 1999.

Central government debt would stabilise at 72 per cent of GDP in 1997, it said.

The central government debt figure is higher because it does not benefit from the surplus in the social security and municipal budgets.

Among the fiscal measures were FM5.5bn (\$1.24bn) of income tax cuts and plans to raise FM1bn through privatisations.

The tax cuts, to be financed by local authority spending cuts and a FM1bn increase in environmental taxes, would help stimulate jobs, the government said.

INTERNATIONAL NEWS DIGEST

Australia gas pipeline move

The Western Australian state government yesterday announced that it was establishing a steering committee to assist on the likely privatisation of the 1,600km pipeline which transports gas from the North West Shelf production area to Perth and the more populated urban areas in the south.

The state government, which owns the pipeline, said that it had a book value of over A\$1bn (US\$78m), and that proceeds from a sale would be used to retire the debt of AlintaGas, the state utility.

The construction of the pipeline, which runs from Dampier to Bunbury, was funded by a US\$900m loan in the early 1980s.

The steering committee will be asked to consider what form the sale should take - and whether, for example, partial privatisation might be a preferable option.

Any sale would probably take place in either 1997 or early 1998.

Nicki Tait, Sydney

Dutch retail sales up 2.9%

The strong domestic economy helped Dutch retail sales rise 2.9 per cent and industrial sales 1 per cent in the first half of the year compared with the same period of 1995, the state's Central Bureau for Statistics said yesterday.

The rise in industrial sales was driven by the domestic market, which grew by 2 per cent. However, industrial exports fell 1 per cent. This is thought to be largely due to weaknesses in Germany and reduced sales to Asia. The chemicals and base metals industries were hit hardest by poor foreign demand.

Industrial sales fell 2 per cent in June compared with the same month last year, because of a 4 per cent fall in exports while domestic sales were static.

Retail sales accelerated in the second quarter, growing by 3.7 per cent.

Separately, the state Central Planning Bureau yesterday said it had raised its forecast of gross domestic product growth this year from 2 per cent to 2.5 per cent. But it scaled down its forecast for 1997 from 2.75-3 per cent to 2.5 per cent.

Simon Kuiper, Amsterdam

Cavallo to advise Ecuador

Mr Domingo Cavallo, Argentina's former economics minister, is to advise Ecuador's new government, which took office last Saturday. Mr Cavallo, who arrived unexpectedly in Ecuador on Thursday, is held in high international esteem for his management of the Argentinian economy. Financial markets responded positively to his visit following several weeks of uncertainty about the new government's economic plans.

President Abdala Bucaram, who ran on a populist platform, plans a series of costly social programmes but wants to balance the budget.

His aims are to reactivate the economy - real GDP growth was a sluggish 2.3 per cent last year - and generate employment. Unemployment stood at 83.9 per cent. Mr Cavallo was not prepared to comment on specific policies. He said it was important to share experiences and learn from mistakes of other countries but there were no recipes which could just be copied.

Mr Bucaram emphasised that he and his economic team would still be in charge of policy.

Justine Neuwirth, Quito

Khmer Rouge splits

Cambodia's Khmer Rouge guerrilla organisation has split, with the former number two in the group calling for an end to the fighting that has plagued the country's fledgling coalition government since UN-run elections in 1993.

Mr Ieng Sary, the Khmer Rouge's former foreign minister, is leading a breakaway faction that claims adherence to democracy and an abandonment of strict Maoist doctrines. He has been tried in absentia and sentenced to death for his role in the extermination of at least 1m Cambodians during the bloody rule of the Khmer Rouge from 1975 to 1979.

"I would like to appeal to all leaders, soldiers and people throughout the country to work for national reconciliation and unity and not to dwell on the past," Mr Ieng Sary said in a statement.

In talks with government representatives, the breakaway group has been offered protection and forgiveness but the idea of a political party led by Mr Ieng Sary contesting the 1998 national elections has been rejected in Phnom Penh.

Ted Barakats, Bangkok

France may deport Africans

About 300 Africans were preparing yesterday for eviction from a church in central Paris amid growing signs that the French government planned to deport them.

The group, which includes many who have lived and worked in France for several years but have been caught by tough new immigration rules, has been protesting since March and 10 of them went on hunger strike at the start of last month.

Police launched an early morning raid on the church of Saint-Bernard last week and took the hunger strikers to hospital, but all subsequently checked out and continued their protest.

Mr Jean-Louis Debré, France's interior minister, said yesterday that he intended to maintain a firm line on immigration, and he argued that some of the Africans were being manipulated by extreme leftwing political groups.

Andrew Jack, Paris

Hutus plan Burundi resistance

The leader of Burundi's ousted Hutu majority party has set up camp in neighbouring Tanzania, saying his party is considering plans for a government-in-exile to resist the Tutsi military junta.

Mr Jean Minani, chairman of the mainly Hutu Frodebu party, said proposals for an East African military intervention in Burundi were still valid, but his party was giving sanctions a chance to bring down Tutsi strongman Major Pierre Buyoya, who last month seized power from Frodebu president Sylvestre Ntibantunganya.

"For the moment, the idea of a government-in-exile is not excluded. In fact, the president of the republic is already in exile in the American embassy, so already we are in exile," Mr Minani said from the Burundi embassy in Dar-Es-Salaam.

Diplomats say the building has become the external headquarters for the resistance against Mr Buyoya after Tanzania refused to receive a new ambassador from Burundi.

UN officials and regional African authorities meanwhile are studying plans to establish an aid corridor into Burundi so that humanitarian supplies can be shipped in despite a blockade applied by seven East African nations.

Reuter, Dar-Es-Salaam

Liberia election hope

West African foreign ministers and Liberian warlords have agreed on a new outline of peace for the country that would lead to elections in 1997, Liberia's Foreign Minister Momoh Sirleaf said yesterday.

"What we have worked out is that disarmament will be completed by the end of this year," Mr Sirleaf said as ministers and warlords met in the Nigerian city of Abuja to revise a peace accord signed last August.

Under that agreement, the Liberian factions should now have been disarming and elections should be held next week to end six years of civil war in the country. But the outbreak of factional fighting in April sabotaged that peace process.

Reuter, Abuja

THE FINANCIAL TIMES
Published by The Financial Times (Europe)
GmbH, Nibelungenstrasse 1, 60118 Frankfurt
am Main, Germany. Telephone +49 (0) 69
156 150, Fax +49 (0) 69 156 1481. Represented
in Frankfurt by J. Walter Barmann,
Wilhelmstr. 1, 10117 Berlin. Also represented
in London by David C. Bell, Chairman, and Alan C. Miller,
Deputy Chairman. Shareholders of the
Financial Times (Europe) GmbH are:
The Financial Times (Europe) Ltd, London and
F. T. (Germany) Advertising Ltd, London.
Shareholder of the above mentioned two
companies is: The Financial Times Limited,
Number One Southwark Bridge, London
SE1 9HL.

GERMANY:
Responsible for Advertising: Colin A. Keen,
Prinzer, Hünepfer International
Verlags-Gesellschaft mbH, Admiral-Reinhold-Strasse 34,
63263 Neu Isenburg. ISSN 0174 7363.
Responsible Editor: Richard Lambert,
c/o The Financial Times Limited,
Number One Southwark Bridge, London
SE1 9HL.

FRANCE:
Publishing Director: P. Manigault, 42 Rue
La Boetie, 75008 PARIS. Telephone: (01) 576 254,
Fax: (01) 576 823. Printers:
S.A. Nord Editeur, 1501 Rue de Clichy,
F-91000 Rodanville Cedex 1. Editor: Richard
Lambert, ISSN 1148-2733. Commission
Paritaire No. 67809D.

SWEDEN:
Responsible Publisher: Hugh Carvery 468
015 0083. Printer: AB Kvalitetsservice
Expressen, PO Box 6007, S-200 06
Jönköping.

© The Financial Times Limited 1996.
Editor: Richard Lambert,
c/o The Financial Times Limited,
Number One Southwark Bridge, London SE1 9HL.

Downer ad
uranium pl

Downer ad
uranium pl

Sharto s
ace again
political sl

adian pol
aid home
flex-mini

Downer ad
uranium pl

سكوت الامم

صباحنا من الامل

Suharto sets face against political shift

By Manuela Saragosa
in Jakarta

Indonesia's President Suharto yesterday dismissed calls for change in the country's political structure after unprecedented protests in recent weeks and warned of a lurking communist threat. Mr Suharto's state of the nation speech, marking today's 51st independence day celebrations, took on added meaning after the unrest and a tough crackdown, which have raised doubts about his hold on power after 30 years.

"Whether consciously or unconsciously, intentionally or unintentionally, the PKI [the banned Indonesian communist party] way of thinking and actions manifest themselves in different forms in our society today," the president said.

Those involved in anti-government rioting and looting which rocked the capital, Jakarta, on July 27 were labelled "communist-like" by the president last month. Mr Suharto yesterday described the riots as "acts of anarchy, undemocratic and irresponsible" and defended the military's harsh handling of rioters as the government's responsibility to protect society.

Riots started after police forcibly evicted supporters of Ms Megawati Sukarnoputri, ousted leader of the opposition Indonesian Democratic party, from the party's headquarters in Jakarta. Ms Megawati was replaced by a government-backed candidate earlier this year.

In the aftermath, there have been calls to loosen the

government's tight grip on political activity.

But referring to the only three government-sanctioned political parties allowed under his rule, the president said: "If we are not yet satisfied with the role played by the three forums of our political forces, let us improve the existing forums [but] not by establishing a new forum where the support of people is entirely unclear."

Mr Suharto, 76, acknowledged the riots had affected confidence in economy stability, but described this as a "temporary jolt". "Political and economic stability have been restored," he said.

Many economists and analysts have blamed recent political unrest on the growing gap between rich and poor, a point which Mr Suharto acknowledged. He said "social problems" were putting pressure on urban areas and "this is the reason why conflicts can easily erupt in the cities".

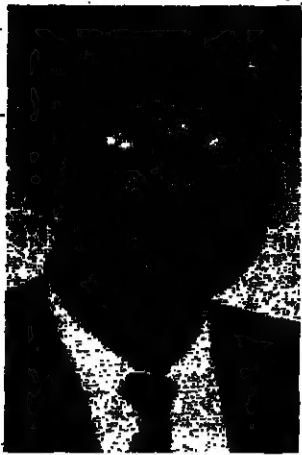
But he was confident that Indonesia's economic situation "is still safe" even though Indonesia's current account deficit grew to 3.3 per cent of GDP in fiscal 1996, a figure which he said exceeded the government's self-imposed 2 per cent target.

"We will continue our efforts to cool down the economy," he said.

Mr Suharto made no direct reference to Ms Megawati in his speech nor did he talk about his own future in spite of growing speculation about whether he will seek a seventh five-year term in office at the presidential elections scheduled for 1998.

Kidnap hits Tijuana's TV hopes

Japanese executive's abduction may scare off new investors in the world's 'television assembly capital'. Leslie Crawford reports



Mamoru Konno: abducted

Tijuana, the Mexican city boasting that it is "the television assembly capital of the world", had been preparing to receive Mr Ryutaro Hashimoto, Japan's prime minister, when news broke that a Japanese electronics executive had been kidnapped.

Mr Mamoru Konno, president of Sanyo Video Components in San Diego, California, was abducted from his car in Tijuana last Saturday as he drove home alone from a baseball match on the Mexican side of the border. The kidnappers have demanded \$2m in ransom.

Tijuana officials fear that the adverse publicity generated by the kidnapping, which has received front page play in Japanese newspapers, might scare off new investors just when the region had established itself as a haven for Japanese and Korean manufacturers.

Sony, Samsung, Matsushita and several others have either just finished, or are in the process of building, new manufacturing plants, and have contributed to the 6m television sets assembled annually in Tijuana.

Since the kidnapping, production at Sanyo's maquiladora (assembly plant) in Tijuana has been disrupted by bomb hoaxes that have forced the evacuation of the

company's 1,200 employees on at least one occasion, according to police reports.

"The bomb scare was a sick joke; police found nothing at the site," says Mr Luis Alberto Pelayo, director of the Maquiladora Association in Tijuana.

Mr Konno's abduction, he said, shocked the city's entire business community, readying itself to welcome Mr Hashimoto during his visit to Mexico next week. "We had never had a kidnap-

Foreign executives have not felt the need to hire bodyguards in Tijuana. Security was never an issue. We did not feel we were threatened"

ping in the maquiladora industry before," Mr Pelayo says.

Another director of a US multinational in Tijuana explained the impact of the kidnapping on perceptions of corporate security: "Foreign executives have not felt the need to hire bodyguards in Tijuana. Security was never an issue. We did not feel threatened."

Mr Konno's abduction came amid a fresh investment wave by Japanese com-

panies in Tijuana, a town which has prospered as a cheap manufacturing site for multinationals producing goods for export into the US. Japanese companies have invested almost \$800m in Mexico since it joined the North American Free Trade Agreement in January 1994, according to trade ministry figures. The state of Baja California, where Tijuana and 57 Japanese subsidiaries are located, has captured almost half that amount.

Mr Konno is the most prominent businessman to have been kidnapped in Mexico since Mr Alfredo Harp Helu of Banamex, the country's largest bank, was held for three months in 1994 and freed for a ransom of close to \$3m.

Mr Konno, however, is not the first foreign businessman to be kidnapped in Mexico. According to US private security consultants, three expatriates were abducted last December.

Mexican businessmen have also become more vulnerable to the threat of abduction since devaluation plunged the economy into recession. The Mexican press carries weekly reports of

new kidnappings. They range from the abduction of wealthy hotel owners in Acapulco to the botched jobs of amateurs. Many kidnap victims are killed even when the family pays the ransom.

Most security consultants believe Mexico now has the second highest kidnapping rate in Latin America after Colombia. Figures are hard to come by, as most abductions go unreported, but estimates for Mexico converge on 2,000 kidnappings a year, against about 6,000 a year for Colombia.

The consultants blame weak law enforcement and police corruption (which on occasion includes collusion in the kidnappings), for fueling the kidnapping industry in Mexico.

Mr Richard Johnson, a security specialist with Setlin & Co, one of the leading US providers of kidnap-ransom insurance, says: "Before 1994, we had no customers in Mexico. Now we have many."

The highest premiums in Latin America, Mr Johnson says, are paid by foreign oil companies working in Colombia, where kidnapping is a main activity of guerrilla



groups. "A major oil company in Colombia could be paying up to \$4m a year in premiums," Mr Johnson says. "In Mexico, an ordinary company wishing to protect its 10 top executives would probably spend around \$40,000 a year in insurance."

"Mexico is a country where businessmen are at risk, but executives still take the attitude that it won't happen to them," says Mr Bruce Alexander, an executive protection specialist at Wackenhut Corporation, based in Miami, Florida.

Mr Alexander does not believe the crime rate in Mexico has begun to deter new investment. Budgeting against security risks, however, is set to become "a critical component" in the equation of businesses locating in Mexico, he says.

Indian police raid homes of ex-minister

India's federal police agency said it raided two homes of Mr Sukh Ram, former communications minister, yesterday and seized Rs80m (\$840,000) in cash. Reuters reports from New Delhi.

A spokesman for the Central Bureau of Investigation (CBI) said the agency had filed a case against Mr Sukh Ram, who was in the government of Mr P.V. Narasimha Rao, former prime minister, for offering favours to an Indian telecommunications firm.

"It [the raid] is still continuing," Mr S.M. Khan, the CBI spokesman, said. "So far the CBI has seized Rs30m in cash from his two houses." One house was in New Delhi and the other in Mandi, Mr Sukh Ram's Himalayan home town, he said.

Mr Sukh Ram, who led India's telecommunications privatisation programme in 1995, could not be reached for comment. Local news agencies said he was out of the country for a medical check-up. They gave no further details.

Opposition parties had severely criticised the former minister's role in the privatisation scheme, part of a 1991 economic liberalisation programme. Mr Sukh Ram has consistently denied allegations that he had favoured a little-known firm from his home state, Himachal Pradesh, in the tendering process.

Mr Khan said the bribery case against Mr Sukh Ram involved a loss to the government of Rs16.5m because telecommunications equipment was bought at high prices from a company based in the southern city of Hyderabad, capital of Mr Rao's home state of Andhra Pradesh.

Asked whether Mr Ram would be arrested abroad, Mr Joginder Singh, CBI chief, told the Press Trust of India: "All legal courses would be taken into consideration. Let him come back to India."

United News of India said the CBI had also arrested a senior official in charge of the Department of Telecommunications, finances.

Downer admits uranium plans

By Nikki Tate in Sydney

Mr Alexander Downer, Australia's foreign minister, was yesterday forced to concede that the new federal coalition government was looking at ways Australia's uranium could be exported to Taiwan.

The admission, which followed a newspaper leak, comes on the eve of the first high-level ministerial visits to China since the Liberal-National coalition took office. Mr Downer is due to fly to China next week, and Mr Tim Fischer, trade minister and deputy prime minister, later this month.

Although relations between the two countries have been fairly smooth recently, there have been points of friction. China, for example, has been urging Canberra to avoid official contact with the Dalai Lama, when the Tibetan spiritual leader visits Australia next month. China also joined other countries in the Asia-Pacific region in expressing unhappiness at the Australian gov-

ernment's decision to axe the Development Import Finance Facility, a soft loan scheme.

In an effort to defuse the uranium issue, Mr Downer stressed that no sales would be made to Taiwan without strict safeguards. "No decision to proceed with exports of uranium to Taiwan would be made except under arrangements which would be consistent with long-standing policy on the export of uranium for exclusively peaceful purposes, Australia's international obligations and Australia's one-China policy," he said.

However, part of the uranium supply problem is how to devise such safeguards without breaching Australia's one-China policy. The Chinese embassy yesterday evening expressed concern over Australia's reported intention to supply uranium to Taiwan.

Taiwan, which has a number of nuclear power stations built or under construction, has been viewed as a potential customer for Australian uranium for some time.



We

liberate

where

other

systems

dominate

Break free from the stranglehold of conventional accounting systems. CODA's unique client-server product design unlocks the true potential in your business. Linking together with other world-class technologies and extensive applications, allowing you to choose the best solution for your business. Liberating information. Access anywhere. Anytime. Empowering you to make accurate, timely, better informed decisions.

Supporting continuous change in your business and technology strategies - not dominating them. Giving you the freedom to determine the direction and pace of change in your organisation. Delivering implementation speed with rapid returns. Eliminate the need to compromise on your accounting solution. If you would like to discover the value that Liberation Systems can bring to your business, fast track. Call 1-800-1424 (TAPS) or E-Mail: liberation@codasystems.com

Liberation Systems for Enterprise Accounting

CODA

Granada seeks buyer for Spring Grove

By Geoff Dyer

Granada Group is seeking a buyer for Spring Grove, its textile-rental business, in a deal which could raise £100m for the media, services and leisure group.

Potential buyers include Davis Service, the business services company, Johnson Group Cleaners, and Rentokil, which through its May acquisition of BET has one

of the largest washroom and textile rental businesses in the UK.

The auction, which is being run by Granada's in-house corporate finance department, is part of a wide-ranging disposal programme to reduce the group's £3.5bn debt following the £3.9bn acquisition of Forte this year.

Granada bought Spring Grove from P&O in 1993 as

part of a £260m deal which included Sutcliffe, the contract catering company.

Spring Grove, which made profits of about £15m on sales of £96m last year, has textile rental, washroom services and towels businesses.

Some analysts predicted, however, that Granada might find it difficult to get an attractive price for Spring Grove, given the highly com-

petitive nature of its markets.

The most likely candidate would have been BET, however, analysts said Rentokil would probably want to try and integrate BET's operations before making further acquisitions.

Of the other candidates, analysts said the acquisition of Spring Grove might be too large for Johnson Clean-

The purchase of Spring Grove by any of its large UK competitors could also lead to problems with the competition authorities.

The main plank of Granada's disposal programme is the sale of the portfolio of 17 Exclusive Hotels, which includes London's Grosvenor House and the George V in Paris and which has a book value of about £1bn.

Granada hopes to complete the sale of these hotels by the end of the year, although analysts have expressed some scepticism about the profit projections in the sales memorandum.

Other former Forte assets for sale include the Welcome Break motorway service stations, its stake in Alpha Airports, the flight catering business, and the Savoy Hotel group.

Southgate's swansong secures demerger vote

By Alice Rawsthorn and William Lewis

Sir Colin Southgate yesterday staged his swansong as chairman of Thorn EMI by securing the majority votes required to finalise the demerger of its music and rental interests, and to introduce a controversial executive bonus scheme.

The demerger proposals were backed by 98.7 per cent of the 280m shares voted (93 per cent of the total) with just over 1 per cent abstentions and less than 0.25 per cent voting against. The shares rose 44p to £14.33.

However, there was some opposition to the incentive scheme, which entitles main board directors of the EMI music group to bonuses worth up to 180 per cent of their base salaries. In the

run-up to the vote, institutions had expressed concern about the proposals being confusingly worded, and potentially too lucrative. This would have entitled Mr Jim Ffield, chief executive, to a £2.5m bonus last year when his total package was valued at £7.38m.

Just under 90 per cent of shares finally voted were in favour of the bonus package. Nearly 4 per cent of votes were cast against and 1.5 per cent abstained. This reflects the preference of institutions to register their disquiet privately.

There were no questions about the incentive scheme from shareholders who attended Thorn EMI's extraordinary AGM in London yesterday. Only a handful queried the rationale for demerger.

Sir Colin, who chaired Thorn EMI for 10 years and will continue in that role for EMI, becoming non-executive chairman of Thorn for a year, said the two companies would be valued more highly as independent entities. He added that the Thorn rental chain would benefit from tighter management focus after coming "out from the umbrella" of the "glamorous business" of EMI.

When the two companies start trading independently on Monday, the consensus among analysts is that EMI's price will be about £14, implying a prospective p/e close to 26, and Thorn at about 40p and 14 times.

The demerger companies will both be constituents of the FT-SE 100 index, relegating Cookson to the FT-SE Mid 250.



Sir Colin Southgate: foresees higher value

Unilever creeping away from Caterpillar franchises

By Ross Tremen

Unilever, the Anglo-Dutch food and detergent manufacturer, yesterday took one more step away from its diversified past by announcing it was discussing the sale of its Caterpillar tractor franchises.

The announcement surprised some analysts, who were unaware that Unilever was a leading supplier of earthmovers in the north-east and south-east of England. Even the company was unsure how Unilever, an enormous international empire whose expertise lies in the separation and combination of fats and water, came to be in the machinery distribution business. One observer suggested, the activity went back to its African plantation days, when equipment was needed to work the holdings.

Unilever said the disposal was part of a long-standing strategy of focusing more closely on its core activity of manufacturing branded food, detergent, and personal hygiene products and specialty chemicals.

It holds two franchises. The largest, H Leverton, has annual sales of £250m. Its 900 employees sell, service and support the full range of Caterpillar products.

The other buyer is Fininvest of Vancouver, Canada, which already holds the Caterpillar franchise for the rest of mainland Britain, basing its UK operation at Camcock, Staffordshire. Fininvest is a leading distributor of Caterpillar products, with operations in Canada, Poland and Chile, as well as Britain, and annual sales of £81.75m (£81.0m).

Separately, Unilever is in talks to sell Leverton Export, based in Windsor, Berkshire, to the privately owned Mansour Group. Leverton Export distributes Caterpillar machines in several African countries, including Nigeria and Ghana. Mansour already holds the Caterpillar franchise in Egypt, where it is based.

Caterpillar yesterday announced that it intended to transfer the dealerships to the two companies with which Unilever is in talks. Proceeds are likely to be between £70m and £80m.

Wickes appoints Bill Hoskins as finance director

By Ross Tremen

Mr Bill Hoskins yesterday began one of the toughest jobs in British retailing - as finance director of Wickes, the DIY chain.

He walked into the Martineau Street headquarters in London to start work at 9am, just as his appointment was announced.

The company said Mr Hoskins had been at Wickes for 13 years, in a variety of roles. Previously he worked for BAT Industries and accountants Ernst & Young.

He will replace Mr Stuart Stradling, who discovered the false accounting that caused Wickes' profits to be overstated by £30m over the past six years. Mr Stradling indicated, when the problems were uncovered at the end of June, that he would resign once an investigation was complete.

The search is continuing for a chief executive to replace Mr Henry Sweetbaker, who resigned on June 26. But filling that post, and appointing a new non-executive chairman, is likely to be delayed until the findings of an inquiry into what went wrong, being conducted by accountants Price Waterhouse and solicitors Linklaters & Paines.

Mr Hoskins, 43, was appointed as finance director of Wickes on January 15. He was among four directors who left in quick succession after the appointment of Mr Jim Leung as chief executive of Britain's fourth-largest chemicals company.

Now aged 43, Mr Hoskins has been at Wickes for 13 years, in a variety of roles. Previously he worked for BAT Industries and accountants Ernst & Young.

He will replace Mr Stuart Stradling, who discovered the false accounting that caused Wickes' profits to be overstated by £30m over the past six years. Mr Stradling indicated, when the problems were uncovered at the end of June, that he would resign once an investigation was complete.

Scott Pickford retaliates against investor revolt

By Jane Martinson

Scott Pickford, the UK oil exploration services and engineering group, is taking legal advice over a shareholder revolt that may include a director.

It has also asked the Stock Exchange to investigate the way in which Edderton, a British Virgin Island-registered company, bought its 8 per cent stake earlier this year, following complaints from the vendor.

Edderton, which Scott Pickford says is ultimately owned by Kuwait businessman Mr Nasser al-Saleh,

bought 1m shares in June. The company said yesterday that Edderton, claiming support from holders of 52 per cent of the equity, had then demanded board and other management changes.

It added that the other holders "would appear to include" Mr Gabriel Simonian, a director with a 6 per cent stake, and Westlake, a company involved in a legal tussle with Scott Pickford.

Mr Simonian, on holiday in Cyprus, last night denied that he had given any undertakings to Edderton and said he would be taking legal advice before the annual

meeting on September 4.

Mr Ian Maxwell Scott, who became chairman last year, said yesterday that he was unsure what changes the shareholders wanted.

In June, the company announced that Mr Tony Burch was to stand down as chief executive.

Mr John Turner, a former employee with an 8 per cent stake, also denied yesterday that there was any formal revolt led by Edderton. He admitted, however, that he was unhappy with aspects of the business and wanted to see a new managing director of the oil business.

Birkdale placing to raise £2.5m

By Jane Martinson

Birkdale Group, the UK marketing services company, is to raise £2.5m through a placing and open offer after a year in which pre-tax losses deepened from £2.02m to £2.67m.

The new team will receive no basic pay. Mr Morley said a performance-related payment should be made in October. The closure of surplus office space would also save about £250,000 a year.

After cancellation of the share premium account, the

full figure in UK advertising and a former managing director of Rover Cars, took over in June, nine senior managers have left. He said their departure, and replacement with a smaller team, would help save about £500,000 a year.

The new team will receive no basic pay. Mr Morley said a performance-related payment should be made in October. The closure of surplus office space would also save about £250,000 a year.

After cancellation of the share premium account, the

company expected to pay a dividend next year, the first since 1992.

Cancellations and deferred contracts hit total sales which fell to £13.2m (£14.7m) in the year to March 31.

Operating losses were £455,000, before exceptional charges of £2m to cover losses on disposals. The 1995 profit of £248,000 was made after a £23.3m write-off.

The placing of 41.8m shares at 60p on a 3-for-7 basis was fully underwritten by Butterfield Securities. The shares rose 1/4p to 7p.

New director at London Scottish Bank

By George Graham, Banking Correspondent

London Scottish Bank, the consumer credit and debt collection group, has named Mr Peter Fallick as group operations director.

Mr Fallick, currently operations director with Empire Stores, previously worked for the home shopping division of Great Universal Stores. He is expected to join the bank's board at the start of the year.

He will take over responsibility for the branch network from Mr John Tomlinson, deputy chief executive, who retires at the end of next year. Mr Roy Reece, chief executive, said Mr Fallick, 47, had "a strong systems development and planning background".

London Scottish has installed a new computer system which has helped Robinson Way, its debt collection subsidiary, by automating telephone calls.

Seven hit the jackpot with Skynet

Alistair Blair and Christopher Price tell how a fortune was made in two months

Even by the lengthy investment records of Mr Tom Wilnot and Mr Stan Beller it has been a remarkable experience.

For an investment of just £250 in Skynet Corporation, they and five other investors have made more than £2m in cash and paper profits.

"Some investments go wrong and some go well," says Mr Wilnot, a veteran small company investor. "This one just happened to go very well indeed."

Their involvement was born of the frustrations of Mr Bob Yorke, the Skynet chief executive, who was desperate in his search for financial backing.

He had agreed to pay £250,000 for a 10 per cent stake in the Danish inventor of a technology which would enable the development of a sophisticated vehicle tracking and information service.

After being turned down by some 15 brokers and institutions, Mr Yorke was introduced to Mr Beller.

He and Mr Wilnot had a history of investment in start-up situations. In the 1980s, they had both run over-the-counter share operations, dealing in small unlisted companies.

Mr Wilnot's firm, Harvard Securities, did not, however, gain approval under the new City regulations introduced in the late 1980s.



Lashings of cash: Robert Yorke (left) and Jonathan Clark prove to be a dynamic team

Mr Beller's firm, Cleveland Securities, had stopped trading at about the same time. Mr Beller had also frequently acted as Harvard's solicitor.

He organised the seven-strong syndicate who would underwrite a £550,000 placing for a new company, Skynet Corporation, which Mr Yorke's existing company, Universal Positioning Systems, was to be reversed into.

The document included generous share and option arrangements for the syndicate, but surprisingly did not mention the underwriting arrangement.

On May 21, UPS issued 850 shares to Mr Yorke, two of his colleagues and Mr Beller's syndicate, who paid £1 a share. Mr Yorke and his colleagues put up £600; the syndicate £250.

On the same day, all these shares, along with the original 100 shares which Mr Yorke and his two colleagues had issued to themselves a few months earlier, were swapped for 9.5m shares in Skynet.

Out of these, the syndicate's entitlement was 2.5m shares. Skynet also assigned options over 1.5m shares to

the seven investors and these could be exercised at any time for 10p a share.

The next day, Skynet launched a prospectus for a private placing to raise the £550,000, involving 2m shares at 27.5p.

At this price, the syndicate's stake of 4.1m shares would have yielded them a profit of just under £1m after spending £160,000 to exercise options. The placing was three times subscribed and 40 new investors came on board.

On offer from June 5, Skynet's price sailed away. It reached 92p on the first day,

130p at the end of the first week, and 300p by mid July. Apart from pent-up demand for the new shares, Mr Jonathan Clark, Skynet's new chairman and a telecoms expert, also revamped the distribution strategy leading to a tripling of sales projections.

On applying to join Aim, Skynet shares were suspended at the end of July. However, the rapid rise had already caught the attention of the Securities and Futures Authority, as had complaints from some market participants.

Mr Yorke believes the company is the victim of a conspiracy and he says the rewards of the seven original investors are justified.

"They were willing to put up the money if the first placing didn't get away. They also had an idea of what we were about, which the market has only just caught on to."

RESULTS

	Thompson (p)	Pre-tax profit (p)	EPS (p)	Current payment (p)	Date of payment	Dividends (p)	Total for year	Total last year
Whitbread	13.2	(14.7)	2.07	(2.02)	2.81	(2.1)	11	11
Brown & Jackson - 18 mths to June 30	22.9	(16.3)	18.6	(12.5)	21.5	(35.4)	1	1
Colson - 6 mths to June 30	17	(23.1)	0.98	(1.55)	2.5	(5.1)	1	1
Whitney & Lewis - 11 mths to April 30	2.48	(2.85)	0.18	(0.43)	2.4	(5.1)	1	1
Investment Trusts	80.0	(80.0)	1.24	(1.21)	1.54	(1.53)	0.855	2.7
Summary - 6 mths to June 30	10.0	(10.0)	1.24	(1.21)	1.54	(1.53)	0.855	2.7

Earnings shown basic. Dividends shown net except where stated. Figures in brackets are for corresponding period. After exceptional charge. After exceptional credit. For increased capital. For completion of terms for 12 months to June 30 1995. SUSA stock. For completion of terms.

NEWS DIGEST

Inspec modifies share proposals

Inspec, the former BP chemicals company, has modified a controversial proposal to allow directors and staff to turn their rights issue share entitlements into share options after coming under pressure from institutional shareholders.

The three amendments, which will be sent to shareholders on Monday, follow meetings the group has held this week with the Association of British Insurers, which represents 5-10 per cent of its shareholders.

Inspec said: "We have done as much as we can to address the issues raised by shareholders in a constructive way."

The proposal follows Inspec's acquisition of Shell's Fine Chemicals for £200.5m, which is to be financed by a 1-for-2 £100m rights issue.

The group is seeking approval at an extraordinary meeting on August 31 for an employee share scheme, which will allow participants to be granted options over the rights issue shares to which they are entitled. Directors can exercise those options if performance criteria are met.

As a result of institutional pressure, the group has agreed to the additional performance criteria that its earnings and total shareholder return must be in the top 25 per cent of its peer group before the options can be exercised.

In addition, the options will vest only at the end of the three-year scheme, rather than in annual tranches, and the options are to be registered only in the names of employees and not spouses.

As a knock-on effect of the demerger of Thorn EMI, Inspec has been removed from the FT-SE Mid 250 index of companies.

BAe confirms Matra venture

British Aerospace and Lagardere Group, the French defence and media company, yesterday confirmed they have merged their missile operations to create Europe's largest guided weapons company.

The joint venture, to be called Matra BAe Dynamics, will have a turnover of £1bn with a forward order book of £2.5bn and will employ 6,000 people in the UK and France.

Mr John Weston, chairman of BAe Defence, will be chairman of the new group and Mr Noel Forgeard, president of Matra Defense Espace, will be chief executive. The company will have head offices in Paris and London.

BAe will initially pay Lagardere £80m to make up for BAe's smaller forward order book in missiles, with the final sum depending on how forward orders and prospects translate into actual business.

Under the deal, the sum BAe could pay could be decreased or increased by up to £30m, giving a range of total payments between £50m and £110m.

The two companies hope to co-operate in bidding for Thomson-CSF, the defence electronics arm of Thomson, due to be privatised shortly. If they are successful, the guided weapons operations of Thomson would be included in Matra BAe Dynamics.

Bernard Gray

Colleagues shares fall to 119p

Shares of Colleagues Group plunged again yesterday, by 26p to 119p after falling to 106p, as the UK direct marketing concern warned that second half profits would be lower than anticipated in its recent trading statement.

Then, analysts halved their forecasts for the full year to December 31 from 24p to 12p. Directors now anticipate a total of just £1.5m, showing only a small profit for the second six months.

On August 8 the shares dropped 107p to 148p as first-half profits were forecast to fall from £1.56m to about £1m. In the event they amounted to £908,000 from turnover of £17m against £23.1m.

Directors said it had become apparent that the level of spending by a leading client would be materially lower for the year. They added that the ongoing postal workers' dispute led to "a number of clients deferring marketing campaigns".

Directors have implemented a cost-saving programme, which has involved a 20 per cent cut in jobs, to about 80 employees, a "substantial reduction" in directors' remuneration, and a new business campaign.

Earnings per share were 2.5p (5.1p) while the interim dividend is 1.5p (1p).

Azlan 'substantially' ahead

The announcement yesterday that Azlan's profits were substantially ahead of this time last year sent the UK computer networking specialist's shares up 45p to 76p.

Mr Mike Brookes, non-executive chairman, told the annual meeting: "Sales and profits in the first four months of the financial year are substantially ahead of the same period last year and are in line with the directors' expectations."

It made pre-tax profits of £10.5m in the year to March 31, on sales of £156.5m.

The group follows a strategy of concentrating on distributing a limited range of high-margin networking products from leading manufacturers to resellers.

Last November it raised £30.4m via a 2-for-5 rights issue at 440p for further expansion. It floated at 230p two years before that.

Mr Mark Loveland, an analyst at house broker SBC Warburg, left his full-year forecast unchanged at £15.5m.

Costain £11m pipeline sale

Costain has sold Land & Marine, its specialist pipeline business, to the Dutch company Smit International for £11.8m cash.

The disposal is part of a rescue programme by Costain to refocus on its core engineering and construction activities and raise about £60m. Of the consideration £29.8m will be payable at completion with the balance later this year.

Other probable disposals include its remaining US coal interests in which Lonrho had been interested, although the UK conglomerate withdrew from discussions at the end of July.

Land & Marine incurred a pre-tax loss of £1.7m in 1995, and at the year end had a book value of the assets sold of £2.8m. It will be renamed Smit Land & Marine Engineering.

John Foster trading ahead

An upbeat statement to the annual meeting pushed shares in John Foster, the Bradford-based washed spinner, up 10p to 39p.

Mr Peter Giles, chairman, said trading was ahead of the previous year. The full-year outcome would depend on exports to Japan, the group's single most important market, particularly for mohair cloth.

He believed the group's properties were undervalued on the balance sheet. An independent valuation would be undertaken and the group planned some disposals.

COMPANIES AND FINANCE

Barrick raises bid and wins Arequipa

By Robert Gibbons in Montreal and Kenneth Gooding in London

Barrick Gold, the biggest gold producer outside South Africa, yesterday increased its offer for Vancouver-based Arequipa Resources from C\$915m to C\$1.03bn (US\$748m) and won the support of the target company's board.

Arequipa is a four-year-old exploration company whose main asset is the Pterina gold deposit in Peru. Not only is its board recommending Barrick's higher offer, the directors and certain other shareholders holding about 23 per cent of the company have signed a lock-up agreement which commits them to tender their shares.

A jubilant Mr Peter Munk, chairman of Barrick, said: "We are delighted to have concluded a friendly transaction with Arequipa. We believe that Arequipa represents an attractive investment giving us a major position in an important gold producing area."

Barrick's first bid, launched on July 11, was C\$27 a share cash, it is now offering either C\$30 cash or 0.75 of a Barrick share plus 50 Canadian cents cash for each Arequipa share, subject to a maximum of 14.4m Barrick shares being issued.

Mr David Lowell, Arequipa's founder and chairman who owns about 10 per cent of the issued capital, said he would elect to take a "substantial" portion of his consideration in Barrick shares. Some analysts suggested that Barrick's first offer was over-generous because at present there are no "proven and probable" gold reserves at Pterina, 400km north of Lima.

There is only a "resource" of 3.5m troy ounces of gold, but last week Arequipa said that drilling and other work in recent weeks indicated that this was an under-estimate.

Other analysts point out that Barrick has taken a close look at Pterina and obviously believes it has much more potential. Mr Munk has set Barrick a target of producing 5m ounces of gold a year by 2000 compared with last year's 3.1m.

Saab downbeat as losses mount

By Hugh Carnegie in Stockholm

Saab Automobile, the struggling Swedish car maker managed and half-owned by General Motors of the US, yesterday reported losses for the second successive quarter and warned that earnings would be hit by high marketing and product development costs throughout 1996 and 1997.

It said the company swung from a pre-tax profit of SKr4m in the second quarter of last year to a loss of SKr95m (\$14.3m) this time. The result pushed first half

losses down to SKr428m, against a profit of SKr195m at the halfway stage last year.

The losses underscored the tough task facing Mr Robert Hendry, a top GM executive who arrived from Detroit earlier this month to take over as Saab chief executive. His appointment was seen as an attempt by GM finally to knock Saab into shape after running up net accumulated losses of almost SKr10bn since it bought a 50 per cent share in late 1989 to become joint owner with Investor, the Wallenberg empire investment company.

But Mr Hendry made no public comment on the latest figures.

There was some comfort in the lower level of losses in the second quarter compared with the first three months. The second quarter also showed an operating profit of SKr32m, although this was well down on the SKr228m recorded in the second quarter last year.

A 12 per cent slide in car sales in the first quarter was arrested, leaving the number of retail sales of the company's 900 and 9000 range cars down a less painful 6 per cent over the

first half at 49,300 units.

Sales were down heavily in Saab's important Swedish home market - hit by uncertainty over rules governing sales of company cars. But they were ahead in the US, Saab's biggest single market, and in the UK, its second-largest export market.

Company officials cautioned, however, that the second and fourth quarters were usually the strongest of the year. To compound its woes, Saab has also been hit by the recent strength of the Swedish krona, which has cut export profits.

Saab is pinning its hopes

on a new luxury model to be launched next year. The costs involved in the new car - and in a general marketing drive in key export markets - are set "to affect the profitability negatively during the coming years", the company warned.

But Saab secured a SKr3.48bn refinancing package from GM and Investor in June designed to underpin its recovery effort for the next five years. In that time, its aim is to increase output from 100,000 cars a year to 150,000 to give it the volumes needed to establish stable profitability.

Airtours adds to cruise fleet

By Scheherazade Donasthku, Leisure Industries Correspondent

Airtours, the UK's second largest tour operator, has bought a third cruise ship for \$40m (£19.4m) cash from Royal Caribbean Cruises, the Miami-based company.

Airtours, which started selling mass-market fly cruises in 1994, said the acquisition would help the company keep pace with demand, which it said has been particularly strong in Canada.

Carnival Corporation, the largest US cruise line, took a 30 per cent stake in Airtours earlier this year. Mr Harry Coe, Airtours' finance director, said the two businesses were separate but Airtours would draw on Carnival's knowledge of the cruise market.

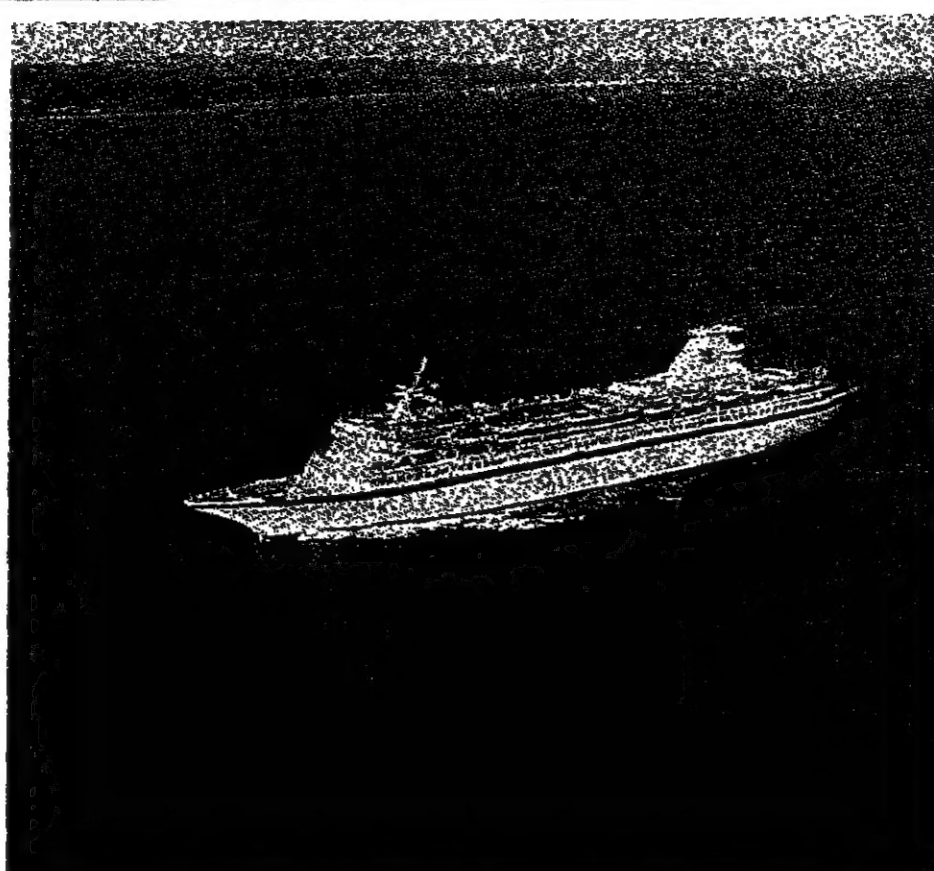
The ship, the Song of Norway, carries 1,100 passengers. It was Royal Caribbean's first ship and has

carried 1m passengers in 26 years of service. It is the sister ship of MS Carousel, which Airtours bought from Royal Caribbean for \$35m in October 1994.

Airtours' first ship, the Seawing, which was bought for £18m, has room for 800 passengers, and set sail in March 1995. The first cruises were in the Mediterranean and the programme was extended last winter to the Caribbean.

Airtours will take delivery of the Song of Norway in October, but will lease it back to Royal Caribbean for the winter. After refurbishment, it will sail under the Airtours banner in May 1997. It will be based initially in Palma, Majorca and will operate in the Mediterranean and Caribbean.

Airtours, which has up to one third of the UK cruise market, carries 100,000 cruise passengers a year; the third ship would raise capacity to 150,000 passengers.



Sailing under a new flag: the Song of Norway will boost Airtours' cruise capacity

B&J on target as pro forma losses fall

By Chris Brown-Humes

Brown & Jackson - owner of the UK Poundstretcher discount chain - suffered a sixth successive year of losses in the 12 months to June 30, but said it was on target to make an operating profit in 1997.

The group was rescued by Pepkor, South Africa's biggest retailer, in 1994. The tar-

get then was to return to operating profits over three years.

Mr Tony Houghton, Brown & Jackson's executive vice chairman, said: "We are making steady progress and believe we can meet our target. It should not be long afterwards before we make a pre-tax profit."

Pro forma pre-tax losses in the year to June 30 were

£5.97m, against £12.6m a year earlier. The group is aligning its year and with Pepkor's and over the 18 months to June 30 suffered an £18m loss.

Pro-forma operating losses before £4.08m exceptional were £3.11m. A year ago operating losses before £7.18m exceptional were £3.98m. It has not paid a dividend since 1992.

Sales at Poundstretcher, which has 235 stores, rose 7 per cent in the 12 months, and 12 per cent in the latest six months, helped by a store opening programme, revamps and aggressive marketing. However, like-for-like sales lagged the sector, rising 2 per cent over the 12 months and 2.3 per cent over six months.

It said restructuring had

been held back by "unacceptably high stock losses", which it partly blamed on greater theft.

The group, which opened 28 stores last year, plans to open a further 30 this year. It also plans to close more stores after disposing of 12 last year.

Poundstretcher sales in the six weeks to August 9 were 9 per cent ahead.

GM pins hopes on the Saturn concept

The US car maker plans to widen the scope of its innovative subsidiary

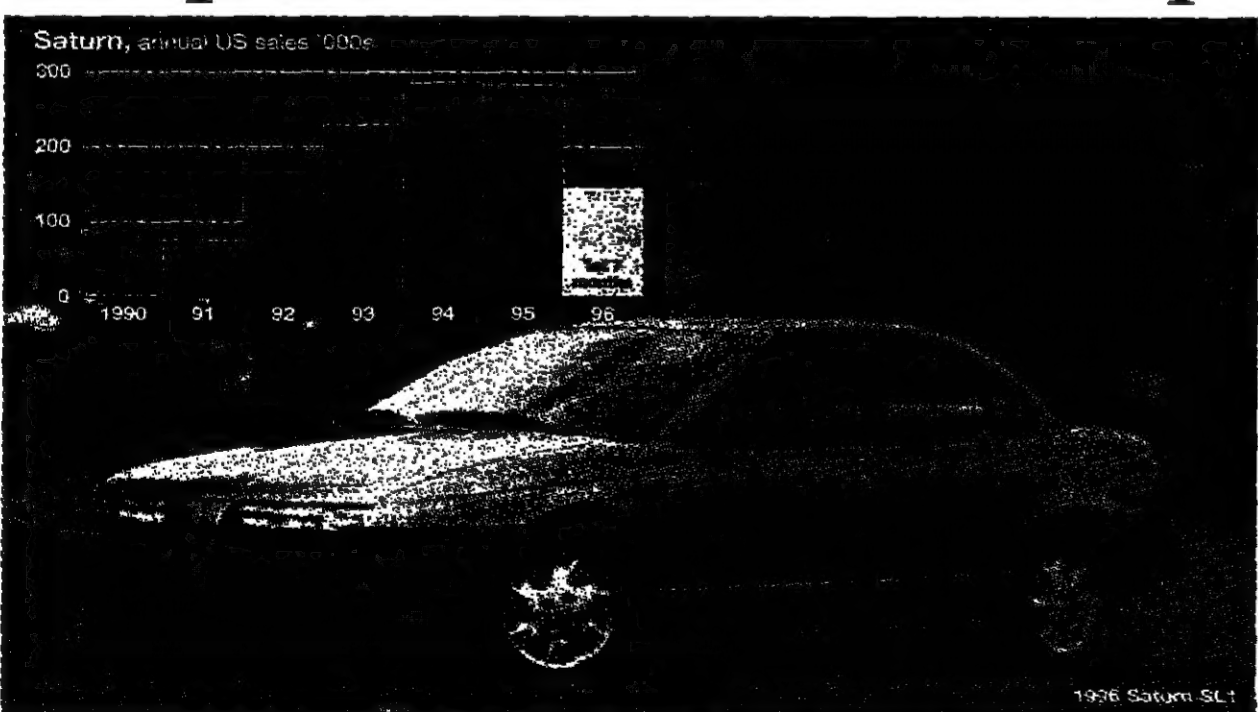
By deciding to develop a second range to expand its successful Saturn brand of cars, General Motors has taken a big step to boost the profitability of a subsidiary which has so far generated more esteem than earnings.

Saturn is one of America's biggest corporate contrasts. The company's sales have soared since it was established in the late 1980s as a response to rising Japanese imports. Production at Saturn's purpose-built plant at Spring Hill, Tennessee, has risen steadily: output should reach almost 310,000 units this year - virtually full capacity.

Customers are smiling, too, partly because of Saturn's no-haggle sales policy. The brand has topped the annual sales satisfaction index compiled by J.D. Power, a respected US motor industry consultancy, for the past two years. Demand for Saturns has been so strong that workers gave up part of this year's summer break to keep production rolling.

But despite its marketing success, Saturn's financial performance has been less sweet. GM does not publish separate results for the company. Nor has it ever stated how much money was spent creating Saturn. All that is known is that the vast Spring Hill facility cost \$1.9bn. Estimated development costs for Saturn's original cars range from \$2bn to \$4bn on top. It is not clear whether GM has ever enjoyed a satisfactory return on its investment.

With sales and demand booming, but profits less clear, GM's management has faced a dilemma: should they spend even more on the brand to build on its undi-



puted sales success? If so, where should any new capacity go?

Last week brought an answer to both questions. GM announced Saturn would build a second, bigger model - codenamed Project Innovate - to be based loosely on GM's European Vectra off the basic structure (platform) Vectra should save development costs and help teach GM's US and European engineers to work more closely at a time of growing "globalisation" in the industry.

But rather than building Project Innovate at Saturn's home plant in Tennessee, GM's bosses decided the new model should be produced at an older facility in Delaware.

The decision to go ahead with the new car caused relatively little surprise - although some executives had argued against it on the grounds that a bigger Saturn could bite into sales of GM's more established brands. Some said the money would be better spent on raising capacity for Saturn's existing saloon, estate car and coupé, which are all built on

the same platform.

However, the argument was always tilted towards a bigger model. Saturn's customers and dealers had been crying out for a bigger car. Although Saturn's current vehicles are mid-sized by European standards, they count as compact to American drivers.

"There are limits to your long-run viability as a single product, single plant company," says Mr David Bradley, motor industry analyst at J.P. Morgan in New York. "The more volume they can put through, the better the economics."

Deciding where to locate Project Innovate was more difficult, however. Spring Hill's exemplary labour relations record made the plant a natural candidate. The plant broke a mould in the often confrontational history of labour relations in the US motor industry by introducing Japanese-style team working and blurring demarcation lines between management and workers. Many local employees argued they had won the right to any new investment.

GM managers, however,

had other priorities. With plentiful spare capacity in the group, they were reluctant to spend more on Spring Hill. "It would have been hard to sanction spending millions on a new line when existing capacity was lying idle," says an official.

Using an established plant had various benefits. Financially, it would reduce the cost of Project Innovate, as some existing equipment could be used for the new car. The Delaware workforce also had experience building similar-sized models for other GM brands.

Opting for Delaware also showed GM was willing to help preserve jobs at existing factories rather than insisting on greenfield sites for new projects. The Wilmington plant, originally slated for closure this month, had been granted a three-year reprieve in 1994. But its long-term future was always in doubt. Indeed, the strong uncertainty about its fate was a key factor in convincing officials from the powerful United Auto Workers union to agree Saturn-style team

working practices at Wilmington during earlier talks on a possible new model at the plant.

So choosing Delaware sent an important message to the UAW at a time of looming friction in the industry. Negotiations on the next multi-year pay deal will start shortly, amid signs of growing militancy this year.

In an ominous indication of rising tensions, GM had been forced to shut most of its factories earlier this year after a strike by UAW workers at a vital parts plant in Ohio. By putting Project Innovate in Delaware, GM probably wanted to demonstrate to other plants that greater flexibility on working practices could save jobs.

GM executives make much of their wish to transfer various practices developed at Saturn, such as its no-haggle sales techniques, to other parts of the group. Locating Project Innovate in Delaware suggests their zeal to "Saturnise" the corporation goes well beyond the showroom.

Haig Simonian

AgrEvo takes control of PGS in \$550m deal

By Wolfgang Münchau in Frankfurt

Hoechst Schering AgrEvo, the German crop protection company, is to take over the Dutch-Belgian biotechnology company PGS, a Dutch-Belgian biotechnology company, in a technology concern. In a \$550m deal that will place the German company among the world's top plant biotechnology groups.

AgrEvo said it had fought off some of its fiercest competitors in a sealed auction. The \$550m purchase price is for a 75 per cent stake in PGS, which last year posted a turnover of only \$5m. AgrEvo said it also expected to bid for the remainder.

PGS is a research group that specialises in technologies to make corn, rapeseed and other vegetables resistant to illness, insects, or herbicides, or to improve their quality.

The company, which employs 140 staff, has its headquarters in Amsterdam and operates its research units in Ghent, Belgium. AgrEvo said PGS's Ghent operations will become a centre of its biotechnology activities.

AgrEvo was formed after a merger in 1994 of the agrochemical interests of Hoechst and Schering, the two German chemical and pharmaceutical groups.

Hoechst owns 60 per cent of the company.

Mr Gerbard Prante, chief executive of AgrEvo, said the deal would give AgrEvo "the necessary critical mass to secure us a sustainable position in the world market of plant biotechnology".

He said AgrEvo would gain technological skills, which would yield "a higher value-added for the benefit of our shareholders, our customers and our staff".

PGS said the deal would give it the financial backing of a large corporation at a time of transition from pure research and technology group to a marketing company that sells physical products, such as seeds.

AgrEvo is known principally for its crop protection business with annual turnover of about DM3bn (\$2.02bn), which compares with revenue of only DM400m for its biotech side.

One of AgrEvo's technologies includes the genetic manipulation of plants to render them resistant to herbicides. This in turn allows the use of herbicides for the selective destruction of weeds, leaving the plants unharmed.

This technology is called Liberty-Link and is already used in Canada to produce genetically manipulated rape, also known as canola.

Project hold-up hits Bakyrchik

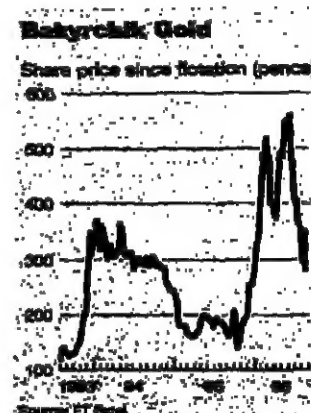
By Kenneth Gooding, Mining Correspondent

Shares in Bakyrchik Gold fell by nearly 10 per cent in London yesterday, from 255p to 225p, after it said negotiations about its involvement in the Vasilkovskoye gold project in Kazakhstan were not going to plan.

Bakyrchik is part of a consortium led by Teck Corporation of Canada that had exclusive rights to reach final agreement on the development of Vasilkovskoye, which has one of the world's biggest undeveloped gold deposits. These expired on August 12 without agreement being reached.

Teck said it understood that, although the Kazakh government might negotiate with other potential bidders, it was also prepared to continue talking to the Teck consortium.

Teck and its partners paid \$5m (£3.2m) when they signed the interim licence and were due to pay another \$50m on completion of "due diligence" on Vasilkovskoye, which has 7.7m troy ounces of gold in its reserves. The Kazakh government was expected to pass this money on to Placer Dome, another Canadian company, which previously had exclusive



rights on Vasilkovskoye but pulled out. The Kazakhs missed a July deadline to repay Placer \$5m.

Mr Robert Friedman, who helped rescue Bakyrchik Gold last October when it was in danger of running out of cash for its operations at the Bakyrchik mine, said last week he intended to link the group with another of his companies, Indochina Gold, which was launched on the Toronto Stock Exchange in June. If shareholders approve, Indochina will own 26.6 per cent of Bakyrchik. A Bakyrchik official said last night that yesterday's steep fall in the share price would not affect the proposed Indochina deal.

BASF potash sale sparks cartel fears

By Wolfgang Münchau

The German Federal Cartel Office yesterday expressed concern over the proposed sale by BASF of its majority interest in a central German potash mining group to a Canadian company.

BASF announced on Thursday it was to sell a controlling stake in Salz und Kali, the potash and salt mine operator, to Potash Corporation of Saskatchewan (PCS) in order to concentrate on its core business of chemicals, pharmaceuticals and oil and gas.

The Federal Cartel Office said that PCS is a market

leader in the international potash business, and the acquisition could give it a dominant market position. The Cartel Office said it was currently in talks with BASF. It also needs to be established whether the deal would be subject to national or EU cartel procedures.

BASF shares continued to benefit yesterday from the intended sale of the Kali and Salz stake, alongside the sale of BASF Magnetics, the maker of video and audio tapes. BASF shares rose 64 pfennigs to DM43.13. Shares in Salz und Kali continued to fall, ending DM8 lower at DM187.

Protean expands with \$25m FTS Systems buy

Protean, the rapidly-expanding UK laboratory equipment and water purification group, has acquired FTS Systems, a private US manufacturer specialising in thermal conditioning and freeze drying equipment, for up to \$25m (£16m).

Initial payment is \$18m cash, followed by two annual payments of up to \$7m total depending on profits.

Protean is funding the deal through a mixture of bank borrowing and the placing of 2.03m ordinary shares at 245p. The placing will raise

\$2.1m and will be made via NatWest Wood Mackenzie.

The shares were unchanged at 257p yesterday.

FTS employs 132 staff and reported pre-tax profits of \$2.2m on sales of \$11.6m in 1995. Mr Geoff Spink, Protean managing director, said: "FTS is an important addition to Protean and enables us to continue our policy of investment in niche market specialist scientific equipment businesses with strong brand names."

COMMODITIES AND AGRICULTURE

WEEK IN THE MARKETS

Coffee rally stalls

The rally in London coffee futures values appeared to have run out steam yesterday.

After reaching a four-week high of \$1.69 a tonne early in the day the November delivery position on the London Commodity Exchange's robusta coffee market slipped to \$1.67 at the close, down \$7 on the day but still \$81 up on the week.

A strong opening on New York's arabica coffee market, in response to news of a sharpish drawdown from the US Green Coffee Association's warehouse stocks, failed to revive sentiment in London, where traders said trading remained very thin.

"One broker came out with around 20 lots to sell and that knocked it back by \$10," one trader told the Reuters news agency, "but that's an indication of how thin it is."

Others said the London market could be vulnerable to further downside moves on profit-taking after the recent run-up, which was attributed chiefly to a lack of sellers, rather than the weight of buying interest.

LCE cocoa prices were also trimmed back a little at the end of a fairly positive week. The December delivery position finished at \$1,031 a tonne, down \$5 on the day but \$23 up on the week.

The earlier rally had pushed the price to \$1,043 a tonne as speculators prepared for a possible squeeze on nearby supplies late this year and early in 1997. "New York specs have been short. I think they are now starting to cover," one trader told Reuters.

Others noted that fresh West African crop projections expected from the end of this month should give a better indication whether the 1996-97 season would see

a return to supply deficits. Copper led a general decline in London Metal Exchange prices yesterday after news of a bigger-than-expected rise in exchange warehouse stocks undermined the earlier steady tone of the market. Three months delivery copper closed at \$1,937 a tonne, down \$17.50 on the day and \$10.50 on the week.

A stocks rise also contributed to the weakness of the lead market, where the three months price fell \$6.50 to

\$817.50 a tonne, down \$12.35 on the week. The biggest overall fall was sustained by the nickel market, with the three months price losing \$302.50 on the week at \$7,056 a tonne. In this case a rise in stocks dampened sentiment yesterday.

Precious metals prices were generally a little softer over the week, though prices of gold, silver and platinum stayed within recent ranges. The exception was palladium, which fell to a 2½-year low yesterday after General Motors announced a new development in cold start autocatalyst technology.

Analysts told Reuters that any resultant decrease in palladium use would probably be small. But investment fund managers were taking no chances and their selling was instrumental in trimming the palladium price by \$2.50 to \$124.25 a troy ounce, down \$5.25 on the week.

Usually this sort of thing is shrugged up by industrial buyers, but it's the summer doldrums right now. So it has snowballed, triggering stop loss selling from specs and funds," a dealer explained.

Richard Mooney

BASE METALS

LONDON METAL EXCHANGE

(As at Thursday's close)

	Cash	3 mths
Close	1460.5-1515	1484-85
Previous	1460.5-1515	1505-06
High/Low	1462	1489/1490
AM Official	1461-42	1495-95.5
Kerb close	1461-42	1491-92
Open int.	221.848	
Total daily turnover	55,083	
ALUMINIUM ALLOY 5 (per tonne)		
Close	1258-63	1259-55
Previous	1258-63	1259-55
High/Low	1260/1252	1257/1258
AM Official	1250-52	1255-57
Kerb close	1250-52	1258-90
Open int.	4,594	
Total daily turnover	370	
LEAD (\$ per tonne)		
Close	822-9	817-9
Previous	815-2.5	823.5-4.5
High/Low	823/822	821/815
AM Official	820-1	815-5.5
Kerb close	820-1	815-5.7
Open int.	34,026	
Total daily turnover	7,103	
NICKEL (\$ per tonne)		
Close	6980-80	7080-80
Previous	6980-80	7080-80
High/Low	6980-80	7080-80
AM Official	6980-80	7080-80
Kerb close	6980-80	7080-80
Open int.	39,339	
Total daily turnover	9,969	

COMMENT & ANALYSIS

FINANCIAL TIMES

Number One Southwark Bridge, London SE1 9HL
Tel: +44 171-873 3000 Telex: 922186 Fax: +44 171-407 5700
Saturday August 17 1996

Monetary quadrille

In Europe's monetary game only two governments, those of Germany and France, and two central banks, the Bundesbank and the Bank of France, matter. Everybody else is a spectator. What makes the game intriguing is that it is sometimes unclear what players are trying to achieve or even what rules they are playing by. This is particularly true of Mr Jacques Chirac, French president.

Mr Chirac's ostensible objective is to secure the euro and eliminate the Bundesbank, the game's most powerful player. To achieve that aim, however, France must first pass the convergence tests of the Maastricht treaty.

The French aim has been to lower the general government financial deficit from 5 per cent of gross domestic product last year to 3 per cent in 1997. But in June the Organisation for Economic Co-operation and Development forecast that France would only reduce its deficit to 3.7 per cent in 1997. Further measures have been taken since then, but they may not be enough. France may still fail to achieve the euro prize without German goodwill.

The problem is slow economic growth. In the best of the first quarter of 1996 the French economy expanded by a mere 0.9 per cent. Last year the government forecast the economy would grow 2.8 per cent this year. In March the forecast was cut to 1.3 per cent. The likely outcome is below 1 per cent. What makes the slowdown so disheartening is that the average annual rate of growth of the French economy has been barely over 1 per cent in the 1990s. It is little wonder that Mr Alain Juppé, the prime minister, is struggling to put the French government's financial house in order.

Sole instrument

Since nominal domestic demand grew only 2.4 per cent in the year to the first quarter of 1996, the obvious solution would be to stimulate it strongly. With fiscal policy being tightened, monetary policy is the sole instrument left. Mr Chirac thinks so, too. That is why he told the people on Bastille Day that France needed lower interest rates.

As the president knows, the French central bank is not merely not obliged to listen to him. It is obliged not to listen to him. He must also know that French interest rates are very close to German levels. Yields on long-term bonds are virtually

identical in the two countries, while the French official short-term rate (the intervention rate) is a mere quarter of a percentage point above the German repurchase (or "repo") rate. Mr Jean-Claude Trichet, the governor of the central bank, could reduce short-term rates below German levels. But this would be a risky move. Everything in his past record demonstrates he will not take it.

Powerful neighbour

So all that Mr Chirac has apparently achieved is to shake the confidence of the markets in his country's policies. This has put pressure on the French franc, thereby reducing the likelihood of the cuts in short-term interest rates he wants.

Did this outburst merely reflect the frustration a Gaullist must feel over the helplessness not just of his country before its powerful neighbour but of the French government before its banker? In fact, it may have two other more rational purposes: as a piece of self-exculpation before the French electorate and as a warning to the Germans - particularly the Bundesbank - that they must not take France for granted.

Unfortunately for Mr Chirac, this bluff is likely to be called. The Bundesbank may cut its repurchase rate a little next week. But its underlying attitude to the calls for lower rates was explained with masterly simplicity by its chief economist, Mr Otmär Issing, this week. "If morale in Germany hinges on the Bundesbank cutting the repo rate by 10 or 20 basis points, then things are pretty dire," he said.

In this one sentence, Mr Issing reminded everyone, first, that the Bundesbank's concern remains Germany; second, that any cut in interest rates will be irrelevantly small; and, third, that the Bundesbank does not accept the view that its policies are to blame for the weakness of the German economy. Whether or not Mr Issing is right, his message for France is clear: Mr Chirac will receive no rescue from across the Rhine.

The game goes on. But Mr Chirac has not made winning it for France any easier. On the contrary, quite apart from scaring the markets more than he has scared the central banks, he has done something that may prove still more foolish: reminded the Germans that the French view of central bank independence remains very different from theirs.

A new enthusiasm for Dole

The Republican convention went surprisingly well but the presidential candidate still faces a long haul, says Jurek Martin

It was doubtless more accidental than planned, but the similarities between the Republican convention in sunny southern California and Mr Bob Dole's speech accepting his party's presidential nomination on Thursday night were uncanny.

Both began with low expectations, enjoyed sensational beginnings, suffered bland middle passages and ended on upbeat, but curiously inconclusive, notes. Both talked endlessly of values but comparatively little about policy.

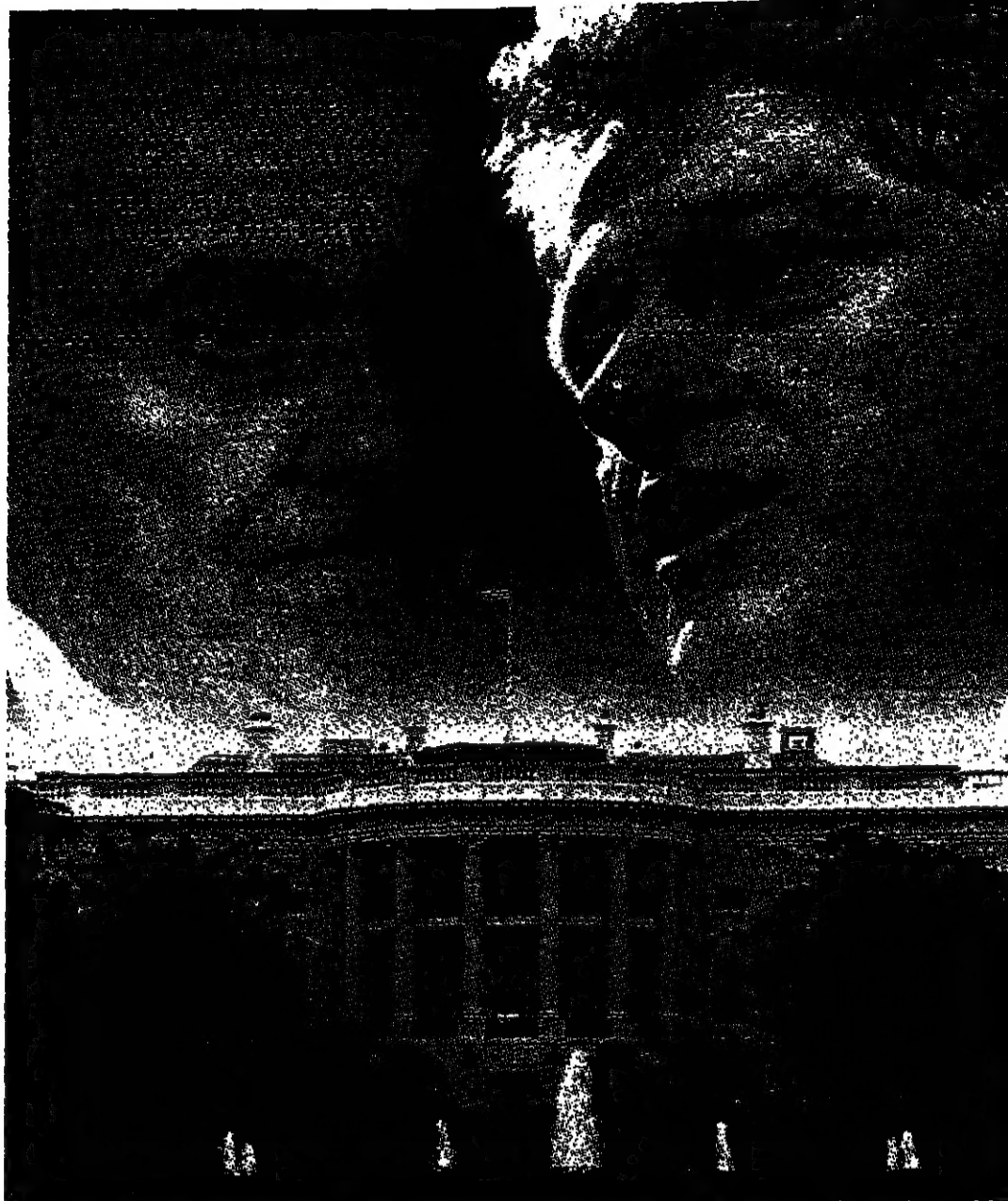
Take the convention first. It began with Mr Dole, its certain candidate, 20 points and more behind Mr Bill Clinton, the president, in national opinion polls and with its right and centre fighting over abortion, immigration and affirmative action for minorities. No main party had looked in more dismay since the feuding Democrats in 1972.

That changed, palpably, in the week before San Diego. First Mr Dole announced a tax-cutting economic programme of "growth and opportunity" that, he made clear, was going to be the platform on which he would seek the presidency. That it ran counter to his known preference for cutting deficits, not taxes, was bravely dismissed.

He then chose as his running mate Mr Jack Kemp, a tax-slashing Reaganaut before Ronnie, a maverick, if you like, but long popular among conservatives. Whatever else might be said of the one-time football player, Congressman and housing secretary, he brought to the ticket an enthusiasm conspicuously lacking in the grey men in suits previously under consideration - and to Mr Dole's own campaign thus far at the grassroots level.

Convention opening night was the showcase for the best Republican recruit since Dwight D. Eisenhower in 1952 - retired General Colin Powell, whom Mr Dole had tried more than once to seduce on to the ticket. The black former chairman of the joint chiefs of staff did not disappoint. A memorable speech preached the virtues of the "big tent" - tolerance, inclusion, and diversity, all qualities reasonably thought to be lacking in the dominant and dogmatic religious and social conservatives who had shaped a party platform as far to the right as any since 1964.

Bob Dole and Jack Kemp, he proclaimed, were good men, exactly the sort who ought to be running the country and in whose administration, he said, he would be proud to serve, if asked. The convention then went, objectively, flat. It dissolved into saccharine, if tightly scripted, evocations of the "American dream", predictable rounds of Clinton-bashing and glossy Republican "infomercials". These so offended the commercial TV networks that one prominent



anchorman, Ted Koppel of the ABC Nightline programme, went back to Washington in a huff, saying there was no news here. He had a point, even if a particular one. Dissent at the convention was ruthlessly excised in the interests of harmony. Moderate Republican governors - Mr Bill Weld of Massachusetts, Mrs Christie Whitman of New Jersey, Mr Pete Wilson of California - kept their pro-choice objections to the party's anti-abortion platform to a minimum.

Mr Pat Buchanan, the right-winger, also made his exit, hardly gracefully, but at least without boiling to form yet another independent party. Speaker Newt Gingrich, the favourite Democratic whipping boy, was kept mostly muzzled and his Contract with America manifesto from 1994 hardly mentioned.

Enter Mr Dole, saddled with the cliché, accurate in this case, that his acceptance speech was

the most important address he had ever given in a political career spanning four decades. He approached it, too, with low expectations. Only once, in leaving the Senate two months ago, had he shown the rhetorical ability to move even a molehill, let alone the necessary mountain against an adept campaigner as Mr Clinton.

Again, like the convention, he began well. He did not shy from his advancing years - at 73 he would be the oldest president ever to enter the White House for the first time - with the simple sentence "age has its advantages" and the reflective one: "I do not need the presidency to make or refresh my soul."

Nor did he deny his own record. "To those who believe I am too combative, I say... it is for love of country. To those who believe I live and breathe compromise, I say that in politics honourable compromise is no sin, it is what protects us from

absolutism and intolerance." If this was proud unrepentant stuff, directed at his right wing, he then truly laid down the law by reciting the honourable principles on which the Republican party was built 35 conventions ago. "Tonight this hall belongs to the party of [Abraham] Lincoln, and the exiles, which are clearly marked, are for you to walk out of as I stand here and hold this ground - without compromise."

This is, after all, a man who, later in his address, would pointedly describe Mr Clinton as "my opponent, not my enemy", and who, in his valedictory to the Senate in June, had said of the failed liberal Democratic candidate of 1972, with whom he had worked so closely to establish the food stamps programme for the poor, "I think George McGovern is a gentleman and has always been a gentleman."

Yet somehow, after its overture in a moving, moderate key, the 55-minute Dole oratorio reverted

to the predictable and partisan type that has also always been a characteristic of his career. His targets were, naturally enough, Mr Clinton's dodging of the Vietnam draft ("right conduct" requires "a young man or woman to serve when called"), Mrs Hillary Clinton's book ("It does not take a village to raise a child, it takes a family") and the administration both "had created" ("a corps of the elite who never grew up, never did anything, never sacrificed, never suffered and never learned").

It was almost as if Mr Dole had turned on its head the 1920s adage by Lincoln Steffens, the American writer, about the early Soviet Union. Although he expressed boundless optimism, the subliminal message appeared to be: "I have seen the past and it works." He sounded intermittently like a grumpy grandfather, as when he denounced contemporary "permissive and destructive behaviour", conveniently forgetting that for 30 of the past 35 years there has been a Republican supposedly setting the moral tone in the White House.

His delivery of a speech with many eloquent passages was better than had been expected but confirmed that Mr Dole, whose speaking pace rarely varies, lacks the sense of rhythm that marks out the better orators.

But, as R.W. Apple put it in the New York Times yesterday morning, "it is hard to say what more the Republicans could have done here". Mr Dole did establish control over his fractious party. He ceded to the hard-driving right-wing control over the party platform and then promptly made clear he would pay no attention to it in the campaign proper. He got Mr Kemp to recant now-heretical views favouring affirmative action and liberal immigration.

And he may have found a common Republican denominator to carry into battle against Mr Clinton in the shape of his tax-cutting, supply-side economic platform, with its eye-catching pledge "to end the Internal Revenue Service as we know it". Even if it plays into one of the president's strong suits - a healthy economy - its evocation of the greatest Republican hero of the 20th century, the ailing Ronald Reagan, can surely do no harm.

It is still too early to say how much of a polling "bounce" Mr Dole and his Republicans got out of San Diego or whether, if it was measurably high, it could survive the "reverse spin" the Democrats will apply the week after next at their convention in Chicago. The election is now just 80 days away and no incumbent president has yet lost a double-digit lead in the short home stretch after Labor Day three weeks from now - and this president is awfully good at stealing Republican clothes.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL

We are keen to encourage letters from readers around the world. Letters may be faxed to +44 171-873 5338, a small letters editor from Publishing House are also available on the FT web site, <http://www.ft.com> Translation may be available for letters written in the main international languages.

The shape of future development at St Mary Axe has not yet been settled

From Mrs Barbara Newman.

Sir, I would like to take this opportunity to reassure your readers that the shape of any future development at St Mary Axe is far from settled ("Sky-scraper planned for Baltic Exchange site", July 24).

As the planning authority for the City of London, the Corporation of London has yet to receive any formal application for development on the former Baltic Exchange site. Any large-scale construction scheme, be it a tower block or other style of development, brings with it a

multitude of factors that must be carefully considered as part of the planning process.

As a conscientious and professional planning authority, the Corporation of London would be failing in its duty if such a vital mechanism were side-stepped or short-circuited.

While the Corporation is keen to encourage building developments which benefit the financial heart of London, the full planning process is always followed and planning policy adhered to whatever the proposed scheme.

With the Corporation now deal-

ing with more planning applications than at any time since the late 1980s, we welcome all proposals that will contribute to keeping the City an interesting and vibrant place in which to live and work, and look forward to receiving many more large-scale planning applications in the future.

Barbara Newman, chairman, planning and transportation committee, Corporation of London, Guildhall, London EC2P 2EJ, UK

Chianti commands respect

From Mr Pietro Marchetti.

Sir, I was amused by your note (Observer, August 9), where it is inferred Chianti, Frascati and Lambrusco are "less-than-fine" wines.

It is a typical remark from a people that, not being able to make their own wine and drink it with every meal, pride themselves on being wine connoisseurs and look down on all that is considered "cheap".

In my opinion, as far as the above-mentioned wines are concerned, there is nothing wrong with them.

We in Italy have wines for every occasion and, just as I doubt I will ever uncork a costly Brunello di Montalcino bottle for my everyday pasta dish, I think there is nothing better than a bottle of DOC Lambrusco to go with my tortellini, a speciality of the region where Lambrusco is produced (Emilia).

What Britons do not seem to understand is that in Italy - thank God - we have hundreds of wines, regional dishes, cheese varieties, sweets, liqueurs, sausages, etc. that are typical of certain areas of the country.

This - alongside works of art - is our richness.

Pietro Marchetti, Via Castel Morrone 1/a, 20128 Milan, Italy

Measure of academic achievement

From Mr Mike Freedman.

Sir, Your leader ("A failed exam", August 15) on the issues surrounding the debate on the continuing suitability of A-levels as the measure of academic achievement, refers to the lament by employers that university graduates do not have the skills required in the work place. The first step to solving this is to advocate raising the entry level for university entry to a larger number of A-levels and AS-levels.

Sadly, this misses the real point which is the nature of what is actually taught in our schools and universities regardless of age and intellectual ability. Until there is considerably more focus on the real skills needed in work, especially from those in executive, managerial and professional roles, then the issue will remain unresolved.

Even sadder is the fact that

there is little understanding throughout the educational establishment of what these skills are.

Our experience around the world, working with large blue-chip companies training thousands of their staff has demonstrated time and again that certain core skills are fundamental to becoming an effective employee. Not only do these last a lifetime but they are the foundation for the type of content-based learning of specialised subjects that is characterised by post-16 education.

Such skills include problem-solving and decision-making, project management, leadership, priority setting, appraisal of both situations and people and related process skills that are generic to every company, industry and function.

All the tinkering in the world

with the mix of A-levels and the quantity that is regarded as acceptable will not address the real issue of preparing people for work. Until the curriculum is properly reassessed with the needs of the work place as paramount criteria in the recasting of what is taught, we will not achieve competitive status in world markets.

Some of the research and experiments in which our company is involved with several school districts in the US are yielding excellent results. Perhaps our educators should follow this example.

Mike Freedman, executive vice-president and partner, Kepner-Tregoe, 13-15 Victoria Street, Windsor, Berkshire SL4 1HB, UK

The Financial Times
plans to publish
a Survey on

Reinsurance

on Monday, September 9.

This survey will report on the most significant issues facing the industry, particularly the effect of downward pressure on rates and the knock-on effect this is having on underwriters. It will also provide readers with a regional view of the market, covering Lloyd's of London, Continental Europe, the USA, the developing markets and a report on the rapid growth of Bermuda as a host to some of the industry's major participants.

For further information please contact

William MacLeod

on Tel: 0171 873 3688 Fax 0171 873 4296

FT Surveys

سكس من الاجل

صحنه من العمل

Man in the News - Vladimir Potanin

Unbuttoned capitalist

John Thornhill on the 35-year-old running the Russian economy

M Vladimir Potanin, the commercial banker who has just been put in charge of the Russian economy at the age of 35, has already built his Oneximbank into one of Russia's most powerful financial and industrial groups. In leaving the bank, he could now play the central role in shaping Russian capitalism at the start of the next century.

He will help determine whether Russia transforms itself into a flourishing investment market for international business or remains an isolated and peripheral player in the global economy.

In spite of the inspiring promises made by President Boris Yeltsin before last month's election, his new government, announced this week, contained almost no new faces.

Mr Yeltsin did not reach out to his Communist and liberal opponents as had once seemed likely. Nor did he tap the pool of promising parliamentary deputies or regional governors to provide new impetus to the old team.

Instead, Mr Victor Chernomyrdin, the solid gas industry chief first appointed prime minister in December

1992, gathered around him a group of like-minded, middle-aged, male apparatchiks, who made their careers in the Soviet era but were smart enough to grab on to Mr Yeltsin's coat-tails at the right time.

Mr Potanin was the one exception. As he sauntered into Mr Chernomyrdin's press conference on Thursday it was evident that Mr Potanin differed from his fellow cabinet ministers. Not only is he 14 years younger than any other senior minister, he was also the only one whose top shirt button was undone.

The youthful Mr Potanin does, however, share a similar background to his fellow cabinet ministers. There is little doubt he would have risen to the top in the Soviet Union had it survived.

After studying international economics at the Moscow State Institute for International Relations, the prestigious training school for future diplomats, he

then worked for seven years at the foreign trade ministry.

But when the Soviet Union collapsed Mr Potanin had both the instincts and the energy to grab the opportunities emerging in the rapidly developing private sector. Exploiting his contacts in Vnesheorgbank, the old Soviet trade bank, he helped found Oneximbank in 1993.

One school of thought holds that Mr Potanin is the perfect figure: to build bridges between the old and the new Russian establishments and to inject some pragmatic ideas into government to help get the economy moving again. Not only does he have an academic background in economics, he also boasts proven administrative and financial skills.

In his new post, Mr Potanin will set macro-economic policy and pursue Russia's stabilisation programme, which has been

backed by the International Monetary Fund. But he will also supervise privatisation and anti-monopoly policy and help drive through much-needed micro-economic reforms.

In an interview to yesterday's Kommersant newspaper, Mr Potanin certainly appeared well versed in what needed to be done to create an open and competitive economy. He spoke of the necessity of reforming Russia's punitive tax code, developing the capital markets, defending property rights, and creating a stable environment for an investment boom.

"If this does not begin within a year and a half, then we can consider that we have blown our chance," he said, with an encouraging sense of urgency.

But the alternative theory about Mr Potanin's appointment suggests it was a straightforward reward to the banks for helping to finance Mr Yeltsin's

re-election campaign.

To the Russian establishment, Mr Potanin was simply the most eligible candidate among the loyal bankers, thanks to his unparalleled networking skills and the fact that he is not Jewish.

If this view is correct, Mr Potanin may prove a highly partisan figure, using his governmental powers to favour those banks which are well-connected to the Kremlin and forging a particularly Russian brand of incestuous state capitalism.

Mr Potanin himself knows how beneficial it can be to stick close to government. Last year he was instrumental in designing the controversial shares-for-loans privatisation scheme in which the government transferred big packets of shares in prized industrial companies to a handful of Russian banks in return for loans.

As a result, Oneximbank acquired a 38 per cent stake in Norilsk Nickel, the

world's biggest nickel producer, and 51 per cent of Sidanco, which is sitting on huge oil reserves in the Russian far east.

Oneximbank will have to work hard to blend its financial skills with these industrial assets to realise their full value. But it is receiving a helping hand from government. This week Mr Yeltsin signed a presidential decree granting tax breaks and other privileges to the cash-strapped Norilsk Nickel worth up to \$1bn.

Secluded in their lavish and heavily guarded headquarters, Russia's new generation of young bankers are fond of pontificating about how such financial-industrial groups will revive the national economy and one day rival the Japanese keiretsu or the south Korean chaebol for wealth and influence.

Mr Peter Derby, president of the Moscow-based Dialog Bank, is one of those who think they may be right.

"These guys are young and talented and willing to take risks which could produce spectacular rewards," he says. "If they succeed, these banks could be absolute monsters in the financial markets in the future." If so, Mr Potanin is almost certain to be among them.



For a country obsessed with protecting its language and culture from Anglo-Saxon vulgarity, France has been remarkably lax about the quality of its television.

But the recent renewal of the broadcasting licence of TF1, France's most watched television channel, has provoked an uproar from French critics who question the ability of the country's regulators to improve an industry responsible for broadcasting an unimpressive mixture of soap operas, sledge and banality.

The critics claim that the contract signed with the Conseil Supérieur de l'Audiovisuel (CSA), France's broadcasting regulator, imposes few additional demands on TF1 while giving it new rights - including an additional two-minute advertising break during films, granting it an estimated FF300m (\$38.1m) in extra revenues each year.

Mr Alain Woodrow, a long-time television critic for Le Monde, has written that his recent retirement means he no longer has to watch so much television. "I got tired of it," he admits.

The country's six terrestrial channels do offer some high-quality programmes, such as TF1's "Reportage" discussions; the late-night book show hosted by the critic Bernard Pivot on state-owned France 2; and the Spitting Image-style satirical puppet show "Les Guignols" on the encrypted station Canal-P.

But the output is more typically characterised by shows selecting the merits of penis extensions, superficial documentaries, quizzes, dubbed US soap operas and telefilms - and because of import restrictions set by quotas for French productions - home-produced versions of equivalent merit.

In a low point late last year which caused a public scandal, Patrick Schesken, a comedian on TF1 with a programme called "Osons" (Let's dare), entered the studio through an enormous path of open trousers and initiated Mr Jean-Marie Le Pen, leader of the extreme-right National Front party, singing a racist "parody" of a popular song.

It was perhaps no surprise that frequent jokes on the "Guignols" show about the

Sex and soap

Andrew Jack on the move in France to take the ooh-la-la out of television



alleged obsession of Mr Patrick Le Lay, TF1's chairman, with "sex, sex and sex" on his channel touched a popular nerve - and a raw one with him: he threatened legal action.

Critics also raise concerns about television's manipulation of news and information to make them more entertaining. In 1991, Mr Patrick Potvin d'Arvor, a TF1 anchorman, supposedly conducted an "exclusive" one-on-one interview with the Cuban leader Mr Fidel Castro. In fact, the images had been carefully re-edited from a large-scale press conference, at which the French journalist had not even asked any questions.

Mr Bernard Bruguier, an adviser to former prime minister Mr Edouard Balladur, has described frequent "exclusive" interviews held just before elections as "a game between TV journalists and his boss, notably in the run-up to the presidential race in the spring of last year."

The accusations of manipulation and low quality are not unique to TF1. France 2 and M6 just happened to be on the scene when police captured and shot dead a young Algerian suspected of involvement in the terrorist campaign which gripped

France last year. M6 even recorded a command to "finish him off" at the start of the film, but edited it out before it was broadcast.

The drive for higher viewing figures and hence income from advertising - which is broadcast on the state-owned as well as private stations - has led to a bidding battle to attract television stars. "I think the whole system is not properly balanced," says the head of Kitter by the privatisation of TF1, which is run mainly for money, says Mr Woodrow. "It has pulled down the other channels."

Earlier this year, Mr Jean-Pierre Elkabbach, head of the state-owned France Télévision, which controls France 2 and France 3, was forced to resign over the sums he had paid to presenters of popular programmes.

Not everyone is so negative. Mr Hervé Bourges, head of the CSA, and a former head of France Télévision, says: "We have achieved a balance between public and private stations, which do not just seek profit, but have a social role too. If you compare French TV with that elsewhere, we have nothing to be embarrassed about."

But the CSA's new contract terms with TF1 and the private M6 channel include tough new ethical guidelines on the honesty of information, the portrayal of violence, and respect for individuals' private lives.

It is not clear how strictly this code can be enforced. The CSA has limited powers of sanction, and no control at all over the contracts governing France Télévision.

Meanwhile, there are signs of change from the stations themselves. In the run-up to the negotiations with the CSA, Mr Etienne Mogaette, deputy head of TF1, pledged a move away from "provocative" television, towards more "consensual, convivial" and family-oriented broadcasts.

How far that was a bargaining strategy remains to be seen. But even Mr Clément Pichot, secretary general of Médias, l'Association de Téléspéctateurs, a lobby of family and education pressure groups, says: "Everyone is fed up with the vanity of television and its sensationalism. There is a growing sense of responsibility and things are getting better. TF1 is progressing in its understanding of how best to earn money."

Rise of English football's new elite

Some players will get rich, but the rest may be left behind, says Patrick Harverson

Sheffield Wednesday were last week close to clinching the biggest signing in the football club's history - the £3.7m transfer of Italian winger Attilio Lombardo from Juventus.

However, at the last minute the deal collapsed when the club failed to meet Juventus's demand to be paid more than the £1.7m annual salary earned by his compatriot Fabrizio Ravenelli, who had recently signed for Middlesbrough.

Sheffield Wednesday's chairman, Mr David Richards, says the game has changed greatly in the last few years. "It's not about transfer fees now. It's about wages. We could afford to buy Lombardo but we were not prepared to pay wages that would have made him the highest-paid player in England."

In signing Lombardo, the Yorkshire club proved an exception among Premier League clubs this summer, many of which have been only too willing to meet the escalating demands of top players.

Today the going rate for the sport's superstars starts at about £20,000 a week, or £1m a year. After decades of clubs underpaying players and treating them like chattels, player power has come to English football.

The record £15m transfer two weeks ago of England striker Alan Shearer to Newcastle United illustrated this with a vengeance. In his contract with his previous club, Blackburn Rovers, Shearer had a get-out clause that allowed him to leave early if he was "unhappy". So he left. His new contract with Newcastle, which pays him a total of about £2m a year, includes another unusual clause that allows him to leave if the club is relegated from the Premiership.

The increased influence of the players is new to English football, but the game is only catching up with other branches of the entertainment industry and professional sports overseas, where superstars have long commanded superstar earnings.

What Luciano Pavarotti is to opera, Gianluca Vialli of London club Chelsea is to football, a one-in-a-million performer paid one-in-a-million wages. For Michael



Jordan, the Chicago Bulls' basketball star, read Eric Cantona of Manchester United. Both can demand almost what they want because each is the best in his field.

It is the arrival of new money that has given the English players more clout - along with the greater freedom they now enjoy to move between clubs. At the top, the game is hundreds of millions of pounds richer because of fast-growing television revenues, which means English clubs can afford to hire the best.

Changes in the football transfer system following last year's ruling by the European Court of Justice - which stopped clubs from charging transfer fees on out-of-country players moving abroad - have also had a big impact.

The best European players can now go where they want when their contracts end, and because of English football's new-found wealth the English Premier League is where they are heading. And such is the public's - and particularly television's - demand to see the best, the clubs cannot afford to let the stars go, even if the price of keeping them is steep.

Mr Brian Richardson, chairman of Coventry City, which this summer signed Scottish captain Gary McAllister for a relatively modest £15,000 a week, says clubs have little choice but to pay superstar wages. "Footballers now are bigger in some cases than pop

stars," he says. "Football is perceived as part of the entertainment industry and we have to provide what the people want."

The players themselves are understandably delighted with the way things have gone. "The players are providing a product that people love at the moment and if a decent percentage of earnings from the product goes back to the players, that's only right," says Pat Nevin, the Tranmere Rovers winger who heads the Professional Footballers' Association, the players' union.

Yet the union may come to regret the rise of player power, for one likely consequence of the trend is that their collective power could be compromised by the increasingly unequal distribution of wealth between clubs. More money is flowing up to the best in the top division, but wages for rank-and-file players have stagnated.

Traditionally, footballers have stuck together in their disputes with employers, primarily because they all mostly regarded themselves as equals. In 1992, 96 per cent of players in the top division voted to strike to defend the rights of members from all four divisions, and this week the PFA is preparing to ballot its members on whether to strike against the Football League over television revenue sharing.

But as pay differentials between the elite in the Premier League and the rest widen, solidarity may suffer. Mr Jon Holmes, an agent to some of the game's best-known and best-paid stars, believes the collective power of players is being undermined by rising wages. He says: "It's hard to equate the interests of superstars earning over £500,000 a year with people earning £20,000 a year."

A broader concern about player power is that escalating pay may eventually weaken the game's financial foundations. Smaller clubs in the Premiership could run into difficulty if their performances on the field fail to generate the revenues to pay their wage bills. As Mr Richardson at Coventry says: "Our major concern for the future is the ability to control players' wages."

Peter Martin on the difficulties of choosing between Microsoft and Netscape software for the World Wide Web

Battle of the Internet browsers

Oh, our eyes have seen the glory of the coming of the Nets. We are ramping up our market share, objections will be met. Soon our browser will be everywhere, you can't see nothing's yet. We embrace and we extend!

Out in cyberspace lurks this dirty, messy, messy thing, the Internet. It is the arena of the battle - the company never thought it would have to fight the war for Internet software.

In Netscape, his upstart rival, Mr Bill Gates, the Microsoft chairman, has at last come up against a competitor with comparable aggression and ambition. The two companies are leap-frogging each other in a battle to dominate the market for software for the Internet's World Wide Web. Scarcely a month goes by without a new version of one or the other program. But does it matter to ordinary computer users?

This week Microsoft introduced Internet Explorer 3.0, its new browser (the type of software with which users access the Web). Netscape, a much smaller company but the leader in this market, launches the latest version of its browser, Navigator, on Monday.

Each side claims its product is the fastest, most powerful, most compatible. Each is signing up mighty allies in Microsoft's case, the publishers of Web content; in Netscape's case the big companies which have adopted its software as standard.

The battle is relevant to ordinary computer users for three reasons. The first is that it is producing extraordinarily rapid improvements in software. Both companies have crammed into a few months the sort of product enhancements that typically take

years. Users inundated with the two sides' competing claims will want to know whether it is worth upgrading - and if so, which program to choose.

The second reason is that this choice may be an important one. As Microsoft and Netscape drive out other competing browsers, users will find that their favourite web sites take sides in the battle, working better with one or other of the two rival programs.

The third reason is that the battle between Netscape and Microsoft is more than a sideshow. It may well decide whether Microsoft is able to extend its remarkable dominance of personal computer software into the Internet era.

Until this week, Microsoft has been on the defensive, essentially trying to whittle down the huge lead Netscape has enjoyed in

market share and Web credibility (it is estimated that four-fifths of all browsers in use are Netscape ones). Now, Microsoft is starting to attack.

The flood of new features in the rival products means that all but the most casual Web users will need to upgrade their browsers in the next few months. It would normally be a trivial decision. But this time the stakes are higher. By their choice of browser, users have an unusual opportunity to influence the shape of the software market for years to come. So here, to help you make the choice, is an unabashedly subjective assessment of the rival products, under five headings: functions, performance, compatibility, availability and sentiment.

● Functions. Until recently Netscape had a clear lead here. Now Microsoft has closed the gap: it

even has a slight edge by offering "whiteboarding", the ability for users thousands of miles apart to pore over and mark up a shared spreadsheet or document.

● Performance. This is a more mature sub-program to handle e-mail and discussion groups. Verdict: pretty much a draw.

● Performance. As browsers have got bigger and more complex, performance has become a more important issue. Microsoft stole an early lead by producing a faster, more compact program. Now Netscape is claiming to have caught up and passed its rival. Verdict: subjectively, Microsoft still feels faster.

● Compatibility. Publicly, both sides are claiming to be compatible with everything in sight: privately, both are trying to match all their rival's features and then provide some unique features that the other cannot easily emulate.

late ("embrace and extend"). Microsoft now runs third-party accessory programs, or "plugins", designed to work with Netscape. Both run mini-programs written in the fashionable Java language that put animations on users' screens. Verdict: for most users, there's not much to choose between the programs. But, with a much bigger market share, Netscape now sets the standard for compatibility.

● Availability. Both programs are downloadable over the Internet. Microsoft's is free; Netscape's is on free trial. Both programs are now so big that downloading is time-consuming and inconvenient, at least over a slow link. Both programs are handed out by Internet service providers; Microsoft's is also given away free with some magazines. Verdict: slight edge to Microsoft - at least as long as the

program continues to be free.

● Sentiment. Netscape started as the clear sentimental favourite: its co-founder, Mr Marc Andreessen, wrote the first modern browser; it invented the idea of offering its software on free trial on the Internet; and, above all, it seemed to offer a way for the industry to scramble out from under Microsoft's thumb.

Then it became clear that Netscape had just as all-embracing a set of ambitions as Mr Gates. And Microsoft's programmers started on a heroic effort to catch up with Netscape. Suddenly, Microsoft looked like the underdog.

Verdict: for real Microsoft-haters, the answer is easy. For the rest of us, it is more evenly balanced. Still, the rapid improvements brought about by the competition show the benefits of having two companies in the field. Even those people who prefer the Microsoft program will benefit from keeping the competition with Netscape needle-sharp.

CURRENCIES AND MONEY

MARKETS REPORT

Marking time

By Richard Adams

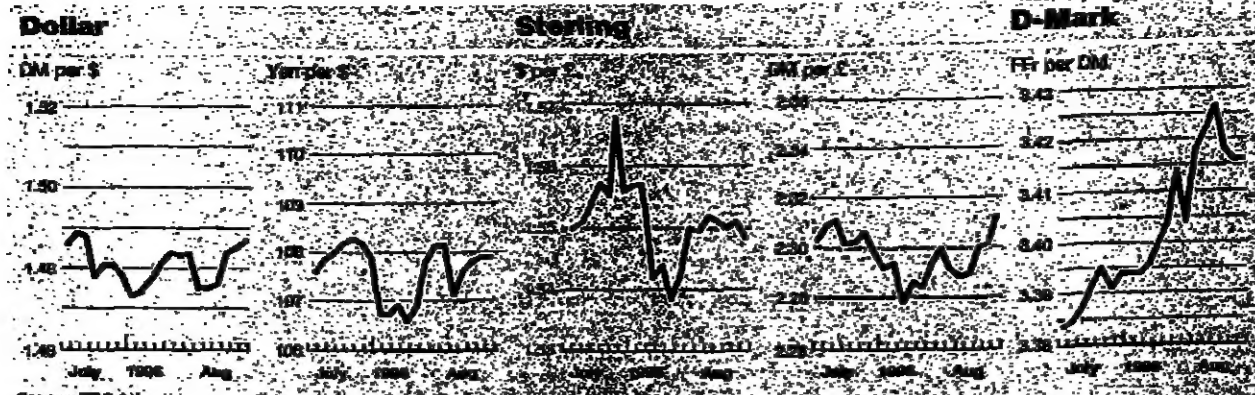
A quiet trading week closed in Europe yesterday, with the D-Mark falling against the US dollar and the yen as traders awaited monetary policy moves on both sides of the Atlantic next week.

With important interest rate-setting meetings starting in Washington on Tuesday, when the Federal Reserve's Open Market Committee begins meeting, and in Frankfurt on Thursday, when the Bundesbank council sits, markets were subdued. The mood was helped by a long weekend in some European countries.

Evidence that German bonds were trading at below the current Bundesbank repurchase rate of 3.50 per cent suggests that most — but by no means all — participants in the bond market expect the Bundesbank to cut its repo rate on Thursday.

But this sentiment was not as clear in the currency market, where a cut in the repo rate would probably aid other European currencies. The only major movement on the day was between the dollar and D-Mark. The dollar strengthened against the German currency, closing the day in London worth DM1.4935, having been worth DM1.4866 after the previous day's trading.

The D-Mark also fell against the yen, buying ¥72.61 per D-Mark, compared to ¥72.61 in Europe, but the Spanish peseta and the Swedish krona improved against the D-Mark, although not by much. The peseta rose by 12 basis



points, to Ptas4.47 from Ptas4.59 per D-Mark. The krona was up to SKr4.44, from SKr4.42.

Sterling was unaffected by the good public sector borrowing requirement figures for July, released yesterday. The pound fell against the dollar, after being \$1.506 on Thursday, to \$1.4935 on Friday. The yen was stable against the dollar, at 107.890 from 107.825.

bank, turns 65 tomorrow, having been head of the bank for nearly three years. A high-profile reception is being planned at the bank on 25 August. Mr David Marsh, of Robert Fleming Securities in London, thinks Mr Tietmeyer "has no desire to spoil the party atmosphere by being blamed for a new franc crisis."

Mr Marsh and many other analysts think that the bank may cut the repo rate on Thursday, although they disagree about the likely effects

of a cut. "In view of persistent doubts about the Euro timetable, a rate cut next week will do little to head off another D-Mark-franc currency test," says Mr Marsh.

That view agrees with Mr Nick Parsons, of Paribas Capital Markets, though Mr Parsons thinks the Bundesbank may not cut rates even if the signal M3 money supply figures fall. The immediate danger for the franc will come if the bank fails to swiftly explain why it did

not cut rates on Thursday. Meanwhile, analysts at Goldman Sachs see chances of a rate cut soon on their view that German policy on interest rates is based on the difference between the output 'gap' (the difference between actual and potential real GDP), and the inflation 'gap' (the difference between actual and target inflation).

The UBS Bundesbank Watch is a little more cagey. "Best bet might still be to go for no change," it says.

POUND SPOT FORWARD AGAINST THE POUND

Aug 16	Closing mid-point	Change on day	Bid/offer spread	Day's high/low	One month rate	Three months rate	One year rate	Bank of England
Europe	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Australia	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Canada	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Denmark	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
France	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Germany	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Greece	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Ireland	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Italy	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Japan	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Netherlands	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Norway	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Portugal	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Spain	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Sweden	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
Switzerland	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
UK	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861
USA	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3	18.1861

DOLLAR SPOT FORWARD AGAINST THE DOLLAR

Aug 16	Closing mid-point	Change on day	Bid/offer spread	Day's high/low	One month rate	Three months rate	One year rate	J.P. Morgan
Europe	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Australia	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Canada	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Denmark	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
France	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Germany	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Greece	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Ireland	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Italy	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Japan	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Netherlands	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Norway	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Portugal	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Spain	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Sweden	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
Switzerland	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
UK	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485
USA	10.3086	+0.0057	678 - 119	10.3100	10.4030	10.4093	2.2	10.4485

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

CROSS RATES AND DERIVATIVES

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Belgium	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Canada	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Denmark	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
France	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Germany	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Greece	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Ireland	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Italy	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Japan	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Netherlands	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Norway	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Portugal	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Spain	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Sweden	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
Switzerland	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
UK	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3
USA	16.2725	+0.0021	658 - 767	16.2808	16.2992	16.2411	2.3

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

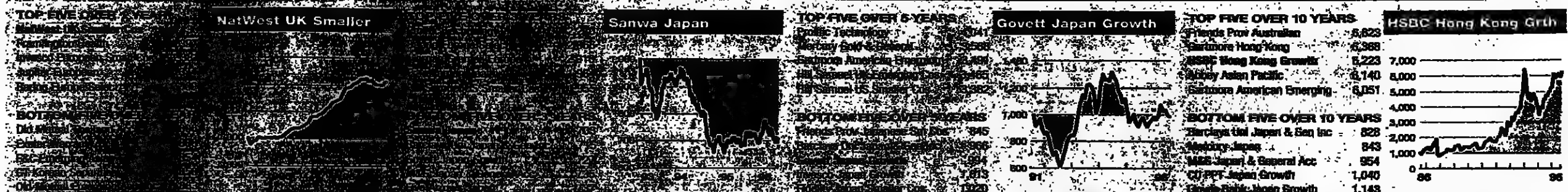
Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

THREE MONTH EURO CURRENCY FUTURES (LFF) DM1m points of 100%

Aug 16	Open	Settle	Change	High	Low	Est. vol	Open Int.
Sep	95.71	95.80	+0.09	95.81	95.69	54,225	54,435
Oct	95.74	95.80	+0.06	95.87	95.73	25,117	48,735
Nov	95.75	95.88	+0.13	95.88	95.75	10,880	33,010

UNIT TRUSTS

WINNERS AND LOSERS

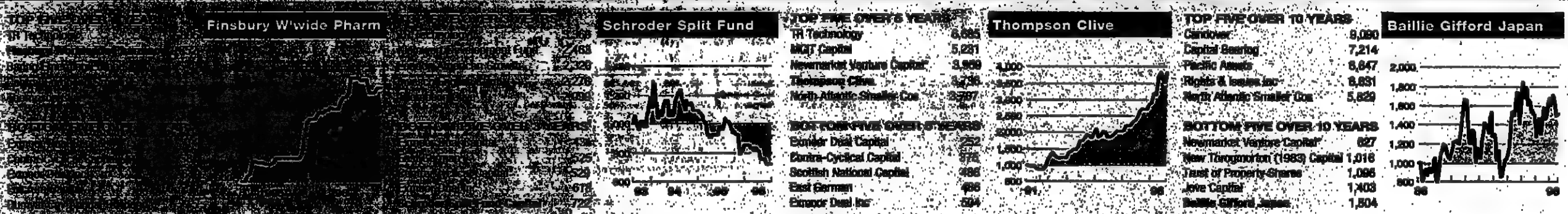


Tables show the result of investing £1,000 over different time periods. Trusts are ranked on 3-year performance. Warning: past performance is not a guide to future performance. Source: HSW (01625 511311)

Indices									
UK Growth	1284	1771	2428	-	3.9	2.0			
Credit Suisse High Income Port	1217	1681	-	-	1.3	-			
Barclays UK Smaller	1189	1559	1708	2085	3.8	0.7			
Johnson Fry Slater Growth	1384	1548	2044	-	3.7	0.8			
Martin Currie UK Growth	1145	1514	2153	-	3.6	2.5			
SECTOR AVERAGE	1109	1500	1899	2806	3.5	2.0			
UK Growth & Income									
Cazenove UK Equity	1135	1429	1829	-	2.8	3.2			
Credit Suisse Growth Port Inc	1112	1420	1919	-	3.4	1.2			
Mercury UK Equity	1088	1407	1910	3888	3.4	2.2			
Morgan Grenfell UK Equity Inc	1071	1401	2018	-	3.3	2.2			
Profitic UK Blue Chip	1124	1394	1870	-	3.5	3.2			
SECTOR AVERAGE	1072	1249	1880	2768	3.5	3.0			
UK Smaller Companies									
Hill Samuel UK Emerging Co's	1288	1810	3466	-	8.7	0.7			
INVESTCO UK Smaller Companies	1363	1787	2420	2710	4.8	0.8			
Waverley Penny Share	1084	1729	2308	-	4.8	-			
AES Smaller Companies	1303	1725	2393	-	3.7	0.6			
BWD UK Smaller Co's	1212	1712	2791	-	4.4	0.8			
SECTOR AVERAGE	1188	1575	1980	2734	5.7	1.5			
UK Equity Income									
Jupiter Income	1200	1725	2742	-	3.7	4.5			
GT Income	1184	1519	2308	3646	3.7	4.2			
BWD UK Equity Income	1105	1400	1710	2579	3.7	4.2			
Lazard UK Income	1114	1388	1808	3608	3.4	5.5			
Britannia High Yield Inc	1148	1378	1859	-	3.5	3.8			
SECTOR AVERAGE	1048	1208	1577	2517	3.5	4.5			
UK Equity & Bond Income									
Baillie Gifford Conv & Genl	1018	1318	2084	-	3.1	5.3			
Profitic Income	1088	1272	1886	2883	3.0	4.8			
Cazenove UK Equity & Bond	1054	1257	-	-	3.9	5.4			
Edinburgh High Distribution	1088	1206	1417	2435	3.8	4.3			
CU PPT High Yield	1066	1201	1888	2997	3.6	5.1			
SECTOR AVERAGE	1057	1138	1506	2373	3.0	5.9			
International Equity Income									
Barclays Global Bond	1098	1148	1688	-	1.8	6.5			
Thomson Dresdner Europe Bond	1067	1140	-	-	1.8	5.5			
Barclays Uni European Bond Inc	1067	1118	-	-	1.8	5.7			
TSB International Income	1040	1110	1489	-	1.8	5.0			
Old Mutual Worldwide Bond Inc	1049	1105	1470	-	2.1	5.5			
SECTOR AVERAGE	1032	1040	1488	1727	2.0	5.5			
International Equity & Bond									
NPI Worldwide Income Inc	1183	1337	1867	-	3.1	1.4			
Gartmore PS Long Term Balance	1118	1318	1808	-	3.1	2.9			
Cazenove Portfolio	1080	1311	1740	-	3.7	2.4			
Bank of Ireland Es Mgd Growth	1071	1310	1757	-	3.0	3.2			
Templeton Global Balanced Aco	1019	1288	1784	-	2.7	3.4			
SECTOR AVERAGE	1057	1189	1601	2538	3.7	2.5			
International Growth									
Profitic Technology	1168	2210	4041	5988	5.8	-			
Franklin Health	1287	1854	3257	-	5.0	1.1			
HTI Global Technology	1284	1542	2645	5180	5.5	-			
Scott Equitable Technology	1081	1540	2182	4402	4.0	1.0			
Britannia Int'l Spec Opp's Aco	1229	1507	2471	-	4.8	-			
SECTOR AVERAGE	1088	1221	1712	2478	3.8	1.1			
Far East Inc Japan									
HSBC Hong Kong Growth	1388	1515	2888	6223	8.1	1.1			
Schroder Far East Growth Inc	1094	1471	2594	-	7.9	0.5			
Govett Greater China	1080	1237	2052	3152	6.8	0.2			
GAM Far East Inc	1004	1227	1949	-	4.8	0.1			
Sun Life Far East Growth Aco	1009	1213	1880	2841	5.9	-			
SECTOR AVERAGE	1017	1111	1776	2884	5.2	0.7			
Far East ex Japan									
HSBC Far East Growth	1388	1515	2888	6223	8.1	1.1			
Schroder Pacific Growth Inc	1094	1471	2594	-	7.9	0.5			
Govett Greater China	1080	1237	2052	3152	6.8	0.2			
GAM Far East Inc	1004	1227	1949	-	4.8	0.1			
Sun Life Far East Growth Aco	1009	1213	1880	2841	5.9	-			
SECTOR AVERAGE	1017	1111	1776	2884	5.2	0.7			
Commodity & Energy									
Mercury Gold & General	1088	1550	3588	-	8.9	0.4			
Save & Prosper Gold & Spt'n	1304	1627	2437	2537	8.9	-			
Waverley Australian Gold	1149	1444	2600	1828	11.0	-			
M&G Commodity & General	1083	1411	1890	3368	8.4	0.4			
M&G Australian & General Aco	1308	1330	1909	2808	8.4	2.8			
SECTOR AVERAGE	1089	1345	2060	2811	8.9	0.8			
High Income									
Gartmore Scotland (Units)	1088	1280	-	-	3.8	4.8			
City Merchants High Yield	1088	1248	2236	8	3.8	3.1			
Edinburgh High Distribution	919	1245	1368	-	3.0	4.0			
Glasgow Income	986	1141	1297	11	4.8	1.8			
Fleming High Income	1053	1138	1365	8	5.4	5.9			
SECTOR AVERAGE	1069	1116	1511	-	5.0	3.8			
Split - Capital									
M&G Capital	1325	2081	3231	9	4.8	-			
Rights & Issues Cap	1068	1716	2562	11	6.2	2.3			
Aberforth Split Level Cap	1227	1550	2616	26	5.8	-			
Lloyds Smaller Companies Cap	1208	1547	-	-	25	5.4			
River Plate & General Cap	1386	1388	1702	20	10.5	-			
SECTOR AVERAGE	972	1159	1891	-	7.5	9.2			
Split - Income and Residual Capital									
TR Technology	1805	3350	6685	33	12.0	1.4			
Finsbury Smaller Companies	1241	1539	-	-	1	3.8	1.9		
Henderson EuroTrust	1365	1485	-	-	17	6.2	5.9		
Fleming Int'l High Income	1108	1391	1894	5	7.5	13.3			
I&S Optimum Income	1085	1329	1526	13	7.7	12.5			
SECTOR AVERAGE	1016	1183	1840	-	7.4	12.1			
Split - Income									
Rights & Issues Inc	1384	1952	2750	-	2.7	5.7			
MCIT Inc	1307	1354	2158	-	2.8	12.3			
Joe Holdings Inc	1130	1298	-	-	2.7	20.1			
Scottish National Inc	1088	1254	1383	-	4.4	11.3			
SECTOR AVERAGE	1045	1129	1263	-	3.3	14.9			
Split - Zero Dividend									
Edinburgh Zero Coupon Pref	1076	1374	1506	-	3.2	-			
Jupiter Extra Income Zero	1126	1329	-	-	2.2	-			
Edinburgh Income Zero Pref	1144	1320	1905	-	2.5	-			
Jupiter European Zero Div Pf	1160	1318	-	-	2.2	-			
Finsbury Smaller Cos Zero Pf	1117	1312	-	-	1.8	-			
SECTOR AVERAGE	1125	1278	1774	-	2.0	-			

INVESTMENT TRUSTS

WINNERS AND LOSERS



Tables show the result of investing £1,000 over different time periods. Trusts are ranked on 3-year performance. Warning: past performance is not a guide to future performance. For investment trust prices see main paper.

■ UK General							■ Int Cap Gth							■ FE Inc Japan							■ High Income							
	1 year (R)	3	5	DivPct	Volatility	Yield		1 year (R)	3	5	DivPct	Volatility	Yield		1 year (R)	3	5	DivPct	Volatility	Yield		1 year (R)	3	5	DivPct	Volatility	Yield	
Finsbury Trust	1187	1772	2346	11	4.3	2.4	Primordia	1335	1824	2039	16	4.2	2.0	TR Far East Income	1170	1269	2488	-	8.9	4.7	Gartmore Scotland (Units)	1088	1280	-	-	3.0	4.8	
Mercury Keynotes	1180	1688	2318	-	4.0	2.9	RIT Capital Partners	1303	1612	2695	17	4.5	0.9	Govett Oriental	1046	1219	2121	7	8.5	0.4	City Merchants High Yield	1092	1249	2236	8	3.5	3.1	
Finsbury Growth	1169	1577	2369	-	4.3	2.7	TR Technology (Units)	1249	1542	-	9	4.0	1.1	Foreign & Colonial Pacific	1128	1198	2007	7	8.9	1.3	Dartmoor	910	1245	1368	-16	8.4	14.3	
Fleming Claverhouse	1168	1537	1787	8	4.8	3.0	Electric and General	1224	1443	2293	9	4.2	1.8	Marlin Currie Pacific	1037	1158	1554	5	8.5	0.9	Glasgow Income	998	1141	1297	11	4.8	10.3	
Foreign & Colonial PEP	1074	1332	-	-	3.8	2.7	British Empire Securities	1301	1423	2240	10	3.8	1.2	Fleming Far Eastern	939	882	1479	13	8.2	0.5	Fleming High Income	1053	1156	1355	8	5.4	5.8	
SECTOR AVERAGE	1086	1839	2027	-	4.5	3.0	SECTOR AVERAGE	1180	1341	2017	-	4.3	1.7	SECTOR AVERAGE	1085	1144	1917	-	7.3	1.5	SECTOR AVERAGE	998	1116	1911	-	8.0	8.6	
■ UK Capital Growth							■ Int Income Growth							■ Far East exc Japan, General							■ Split - Capital							
Welsh Industrial	1239	1825	2088	25	8.2	5.0	Murray International	1177	1411	2148	0	4.3	4.0	TR Pacific	969	1346	2816	-	8.9	0.2	MCT Cap	1525	2001	2531	9	4.6	-	
Kleinwort Endowment Policy	1194	1310	-	-	0	3.2	Securities Trust of Scotland	1116	1294	1654	7	4.3	5.0	Scottish Asian	972	1277	3351	6	10.4	-	Rights & Issues Cap	1068	1716	2592	11	6.2	2.3	
Fleming Enterprise	1017	1302	1747	11	8.8	2.7	SECTOR AVERAGE	1139	1322	1890	-	4.3	5.1	Pacific Assets	953	1244	2290	5	10.7	0.4	Abacus Split & Inc Cap	1252	1588	2816	26	5.6	-	
Broadgate	1157	1260	-	-	8	4.4	-	-	-	-	-	-	Abstract New Dawn	1033	1177	2249	8	8.1	0.7	Lloyds Smaller Companies Cap	1208	1547	-	-	25	5.4		
Ivory & Sims ISIS	1276	1216	-	-	23	4.7	-	-	-	-	-	-	Pacific Horizon	1132	1178	1865	5	7.0	0.8	Flare Plate & General Cap	1386	1368	1708	20	10.5	-		
SECTOR AVERAGE	1166	1384	1818	-	8.4	2.3	-	-	-	-	-	-	SECTOR AVERAGE	991	1182	2408	-	8.9	0.7	SECTOR AVERAGE	972	1156	1891	-	7.8	9.2		
■ Smaller Companies							■ North America							■ Far East exc Japan, Single Country							■ Split - Income and Residual Capital Shares							
INVESTCO English & Int'l	1418	2275	3864	-	7.5	0.8	London American Growth	1278	2320	2832	18	8.5	0.1	Siam Selective Growth	991	1432	2218	15	8.5	0.3	TR Technology	1808	3360	6988	33	12.0	1.4	
Henderson Stra	1408	1952	3384	-	4.8	0.4	North Atlantic Smaller Cos	1214	1659	2707	17	4.9	-	First Philippine	1030	1422	2620	21	7.8	-	Finsbury Smaller Companies	1241	1539	-	-	1	3.8	1.9
Perpetual UK Smaller Cos	1254	1848	2853	-	4.3	0.8	American Opportunity	1152	1636	2371	2	5.0	-	Abstract New Thal	1106	1378	2834	16	8.5	1.1	Henderson Trust	905	1485	-	-	17	8.2	3.9
NatWest Smaller Companies	1399	1710	-	-	8	2.7	Govett American Smaller Cos	1233	1493	-	-	13	5.9	New Zealand	987	1244	2185	0	8.3	0.1	Fleming Int'l High Income	1108	1391	1984	-	-	5	7.4
Gartmore Smaller Companies	1289	1637	1877	12	4.8	2.5	American	1199	1294	1960	17	4.8	2.3	Korea-Europe Fund	1001	1211	1455	4	8.9	0.1	ISIS Optimum Income	1085	1329	1528	13	7.7	12.1	
SECTOR AVERAGE	1135	1364	1952	-	5.1	2.5	SECTOR AVERAGE	1198	1518	2389	-	5.4	1.0	SECTOR AVERAGE	972	1208	2771	-	8.1	0.7	SECTOR AVERAGE	1016	1163	1840	-	7.4	12.5	
■ UK Income Growth							■ Continental Europe							■ Emerging Markets							■ Split - Income							
Morgan Grenfell Equity Income	1105	1384	-	-	1	3.8	4.0	TR European Growth	1300	2076	2570	3	5.0	0.9	Templeton Emerging Markets	1067	1255	2769	-1	7.2	0.7	Rights & Issues Inc	1384	1952	2756	-	2.7	5.7
Value and Income	1081	1325	2245	-	3.5	4.3	Fleming European Reducing	1342	1623	1883	7	6.5	-	Beta Global Emerging Markets	1042	1163	1657	11	8.4	-	Dartzy Inc	1081	1399	1024	-	1.9	8.0	
TR City of London	1058	1244	1732	-	2	4.5	4.5	Gartmore European	1188	1579	2294	-1	5.0	0.8	Foreign & Colonial Em Markets	880	1154	2275	8	8.2	-	MCT Inc	1307	1354	2158	-	2.6	12.3
Lowland	927	1242	1832	-	9	4.5	4.5	Fidelity European Values	1167	1531	-	-	0	5.2	0.2	Kleinwort Emerging Markets	991	1107	-	-	10	6.9	-					
Dunedin Income Growth	1021	1232	1540	-	10	4.8	5.1	Foreign & Colonial Eurotrust	1170	1435	1874	-	5.1	0.5	Govett Emerging Markets	1003	973	-	-	10	9.0	0.4						
SECTOR AVERAGE	1022	1221	1723	-	4.3	5.1	SECTOR AVERAGE	1178	1467	1872	-	5.4	1.2	SECTOR AVERAGE	1060	1040	1894	-	8.2	0.7	JS Holdings Inc	1130	1296	-	-	2.7	20.1	
■ Venture and Devt Cap							■ Pan Europe							■ Commodity and Energy							■ Split - Zero Dividend							
Kleinwort Development Fund	1435	2463	2848	16	4.2	2.3	Kleinwort Charter	1203	1540	2010	14	5.0	2.5	SECTOR AVERAGE	1204	-	-	-	-	0.8	Emoor Dual Zero Coupon Pref	1076	1374	1598	-	3.2	-	
Thompson Clive	1409	2059	3736	24	5.5	1.5	European Smaller Companies	1142	1169	-	-	13	4.5	0.5	Jupiter Extra Income Zero	1126	1329	-	-	2.2	-	Jupiter Extra Income Zero	1126	1329	-	-	2.2	-
Cardover	1289	1977	2853	-	5.4	3.5	ECU Trust	1052	1040	1708	12	4.1	0.9	Edinburgh Income Zero Pref	1144	1320	1905	-	2.5	-	Jupiter European Zero Div Pf	1180	1918	-	-	2.8	-	
Foreign & Colonial Ent'prise	1405	1935	3848	-	5	4.4	1.4	SECTOR AVERAGE	1143	1249	1860	-	4.8	1.6	Finsbury Smaller Cos Zero Prt	1117	1312	-	-	1.8	-	SECTOR AVERAGE	1129	1278	1774	-	2.0	-
Dunedin Enterprise	1399	1889	2931	14	3.5	4.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SECTOR AVERAGE	1176	1809	2467	-	5.4	2.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
■ International General							■ Japan							■ Property							■ Split - Income and Residual Capital Shares							
Personal Assets	1287	1801	2286	-	3.0	2.2	Planning Japanese	1038	969	1489	4	6.5	-	TR Property	1157	1144	1328	12	6.5	3.9	United Trust	1088	1280	-	-	3.0	4.8	
Law Debenture Corporation	1053	1504	2319	-18	5.1	3.1	Edinburgh Japan	1036	935	-	-	8	7.9	-	Trust of Property Shares	896	829	1089	14	7.9	3.9	City Merchants High Yield	1092	1249	2236	8	3.5	3.1
Bruce	1114	1403	1808	19	5.0	2.8	Battle Global Japan	1012	970	1123	8	7.0	-	SECTOR AVERAGE	1103	987	1213	-	7.3	3.1	Dartmoor	910	1245	1368	-16	8.4	14.3	
Marjorie	1170	1369	1911	14	3.8	3.5	GIF Japan	987	841	1068	8	6.7	0.7	-	-	-	-	-	-	-	Glasgow Income	998	1141	1297	11	4.8	10.3	
Scottish Investment	1183	1351	1803	13	3.9	2.7	Dunedin Japan	940	792	-	-	6.6	-	-	-	-	-	-	-	-	Fleming High Income	1053	1156	1355	8	5.4	5.8	
SECTOR AVERAGE	1121	1365	1907	-	4.1	2.8	SECTOR AVERAGE	1030	851	1188	-	7.2	0.4	-	-	-	-	-	-	-	SECTOR AVERAGE	998	1116	1911	-	8.0	8.6	

Authorised Unit Trusts

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (+44 171) 873 4378 for more details.

AUTHORISED UNIT TRUSTS

[illegible]

RECENTLY SOLD PROPERTIES - 0-6 MONTHS

RECENTLY SOLD PROPERTIES - 6 MONTHS TO 1 YEAR

RECENTLY SOLD PROPERTIES - 1 YEAR TO 2 YEARS

RECENTLY SOLD PROPERTIES - 2 YEARS TO 3 YEARS

RECENTLY SOLD PROPERTIES - 3 YEARS TO 4 YEARS

RECENTLY SOLD PROPERTIES - 4 YEARS TO 5 YEARS

RECENTLY SOLD PROPERTIES - 5 YEARS TO 6 YEARS

RECENTLY SOLD PROPERTIES - 6 YEARS TO 7 YEARS

RECENTLY SOLD PROPERTIES - 7 YEARS TO 8 YEARS

RECENTLY SOLD PROPERTIES - 8 YEARS TO 9 YEARS

RECENTLY SOLD PROPERTIES - 9 YEARS TO 10 YEARS

RECENTLY SOLD PROPERTIES - 10 YEARS TO 11 YEARS

RECENTLY SOLD PROPERTIES - 11 YEARS TO 12 YEARS

RECENTLY SOLD PROPERTIES - 12 YEARS TO 13 YEARS

RECENTLY SOLD PROPERTIES - 13 YEARS TO 14 YEARS

RECENTLY SOLD PROPERTIES - 14 YEARS TO 15 YEARS

RECENTLY SOLD PROPERTIES - 15 YEARS TO 16 YEARS

RECENTLY SOLD PROPERTIES - 16 YEARS TO 17 YEARS

RECENTLY SOLD PROPERTIES - 17 YEARS TO 18 YEARS

RECENTLY SOLD PROPERTIES - 18 YEARS TO 19 YEARS

RECENTLY SOLD PROPERTIES - 19 YEARS TO 20 YEARS

RECENTLY SOLD PROPERTIES - 20 YEARS TO 21 YEARS

RECENTLY SOLD PROPERTIES - 21 YEARS TO 22 YEARS

RECENTLY SOLD PROPERTIES - 22 YEARS TO 23 YEARS

RECENTLY SOLD PROPERTIES - 23 YEARS TO 24 YEARS

RECENTLY SOLD PROPERTIES - 24 YEARS TO 25 YEARS

RECENTLY SOLD PROPERTIES - 25 YEARS TO 26 YEARS

RECENTLY SOLD PROPERTIES - 26 YEARS TO 27 YEARS

RECENTLY SOLD PROPERTIES - 27 YEARS TO 28 YEARS

RECENTLY SOLD PROPERTIES - 28 YEARS TO 29 YEARS

RECENTLY SOLD PROPERTIES - 29 YEARS TO 30 YEARS

RECENTLY SOLD PROPERTIES - 30 YEARS TO 31 YEARS

RECENTLY SOLD PROPERTIES - 31 YEARS TO 32 YEARS

RECENTLY SOLD PROPERTIES - 32 YEARS TO 33 YEARS

RECENTLY SOLD PROPERTIES - 33 YEARS TO 34 YEARS

RECENTLY SOLD PROPERTIES - 34 YEARS TO 35 YEARS

RECENTLY SOLD PROPERTIES - 35 YEARS TO 36 YEARS

RECENTLY SOLD PROPERTIES - 36 YEARS TO 37 YEARS

RECENTLY SOLD PROPERTIES - 37 YEARS TO 38 YEARS

RECENTLY SOLD PROPERTIES - 38 YEARS TO 39 YEARS

RECENTLY SOLD PROPERTIES - 39 YEARS TO 40 YEARS

RECENTLY SOLD PROPERTIES - 40 YEARS TO 41 YEARS

RECENTLY SOLD PROPERTIES - 41 YEARS TO 42 YEARS

RECENTLY SOLD PROPERTIES - 42 YEARS TO 43 YEARS

RECENTLY SOLD PROPERTIES - 43 YEARS TO 44 YEARS

RECENTLY SOLD PROPERTIES - 44 YEARS TO 45 YEARS

RECENTLY SOLD PROPERTIES - 45 YEARS TO 46 YEARS

RECENTLY SOLD PROPERTIES - 46 YEARS TO 47 YEARS

RECENTLY SOLD PROPERTIES - 47 YEARS TO 48 YEARS

RECENTLY SOLD PROPERTIES - 48 YEARS TO 49 YEARS

RECENTLY SOLD PROPERTIES - 0-6 MONTHS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 6 MONTHS TO 1 YEAR	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 1 YEAR TO 2 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 2 YEARS TO 3 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 3 YEARS TO 4 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 4 YEARS TO 5 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 5 YEARS TO 6 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 6 YEARS TO 7 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 7 YEARS TO 8 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 8 YEARS TO 9 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 9 YEARS TO 10 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 10 YEARS TO 11 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 11 YEARS TO 12 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 12 YEARS TO 13 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 13 YEARS TO 14 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 14 YEARS TO 15 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 15 YEARS TO 16 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 16 YEARS TO 17 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 17 YEARS TO 18 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 18 YEARS TO 19 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 19 YEARS TO 20 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 20 YEARS TO 21 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 21 YEARS TO 22 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 22 YEARS TO 23 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 23 YEARS TO 24 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 24 YEARS TO 25 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 25 YEARS TO 26 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 26 YEARS TO 27 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 27 YEARS TO 28 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 28 YEARS TO 29 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 29 YEARS TO 30 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 30 YEARS TO 31 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 31 YEARS TO 32 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 32 YEARS TO 33 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 33 YEARS TO 34 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 34 YEARS TO 35 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 35 YEARS TO 36 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 36 YEARS TO 37 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 37 YEARS TO 38 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 38 YEARS TO 39 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 39 YEARS TO 40 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 40 YEARS TO 41 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 41 YEARS TO 42 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 42 YEARS TO 43 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 43 YEARS TO 44 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 44 YEARS TO 45 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 45 YEARS TO 46 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 46 YEARS TO 47 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 47 YEARS TO 48 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 48 YEARS TO 49 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 49 YEARS TO 50 YEARS	132.29	147.34	1.08

RECENTLY SOLD PROPERTIES - 0-6 MONTHS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 6 MONTHS TO 1 YEAR	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 1 YEAR TO 2 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 2 YEARS TO 3 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 3 YEARS TO 4 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 4 YEARS TO 5 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 5 YEARS TO 6 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 6 YEARS TO 7 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 7 YEARS TO 8 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 8 YEARS TO 9 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 9 YEARS TO 10 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 10 YEARS TO 11 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 11 YEARS TO 12 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 12 YEARS TO 13 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 13 YEARS TO 14 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 14 YEARS TO 15 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 15 YEARS TO 16 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 16 YEARS TO 17 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 17 YEARS TO 18 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 18 YEARS TO 19 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 19 YEARS TO 20 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 20 YEARS TO 21 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 21 YEARS TO 22 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 22 YEARS TO 23 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 23 YEARS TO 24 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 24 YEARS TO 25 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 25 YEARS TO 26 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 26 YEARS TO 27 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 27 YEARS TO 28 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 28 YEARS TO 29 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 29 YEARS TO 30 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 30 YEARS TO 31 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 31 YEARS TO 32 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 32 YEARS TO 33 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 33 YEARS TO 34 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 34 YEARS TO 35 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 35 YEARS TO 36 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 36 YEARS TO 37 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 37 YEARS TO 38 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 38 YEARS TO 39 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 39 YEARS TO 40 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 40 YEARS TO 41 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 41 YEARS TO 42 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 42 YEARS TO 43 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 43 YEARS TO 44 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 44 YEARS TO 45 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 45 YEARS TO 46 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 46 YEARS TO 47 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 47 YEARS TO 48 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 48 YEARS TO 49 YEARS	132.29	147.34	1.08
RECENTLY SOLD PROPERTIES - 49 YEARS TO 50 YEARS	132.29	147.34	1.08

ET MANAGED FUNDS SERVICE[illegible][illegible]

Financial Data 1992 1991 1990 1989 1988 1987 1986 1985 1984 1983 1982 1981 1980 1979 1978 1977 1976 1975 1974 1973 1972 1971 1970 1969 1968 1967 1966 1965 1964 1963 1962 1961 1960 1959 1958 1957 1956 1955 1954 1953 1952 1951 1950 1949 1948 1947 1946 1945 1944 1943 1942 1941 1940 1939 1938 1937 1936 1935 1934 1933 1932 1931 1930 1929 1928 1927 1926 1925 1924 1923 1922 1921 1920 1919 1918 1917 1916 1915 1914 1913 1912 1911 1910 1909 1908 1907 1906 1905 1904 1903 1902 1901 1900 1899 1898 1897 1896 1895 1894 1893 1892 1891 1890 1889 1888 1887 1886 1885 1884 1883 1882 1881 1880 1879 1878 1877 1876 1875 1874 1873 1872 1871 1870 1869 1868 1867 1866 1865 1864 1863 1862 1861 1860 1859 1858 1857 1856 1855 1854 1853 1852 1851 1850 1849 1848 1847 1846 1845 1844 1843 1842 1841 1840 1839 1838 1837 1836 1835 1834 1833 1832 1831 1830 1829 1828 1827 1826 1825 1824 1823 1822 1821 1820 1819 1818 1817 1816 1815 1814 1813 1812 1811 1810 1809 1808 1807 1806 1805 1804 1803 1802 1801 1800 1799 1798 1797 1796 1795 1794 1793 1792 1791 1790 1789 1788 1787 1786 1785 1784 1783 1782 1781 1780 1779 1778 1777 1776 1775 1774 1773 1772 1771 1770 1769 1768 1767 1766 1765 1764 1763 1762 1761 1760 1759 1758 1757 1756 1755 1754 1753 1752 1751 1750 1749 1748 1747 1746 1745 1744 1743 1742 1741 1740 1739 1738 1737 1736 1735 1734 1733 1732 1731 1730 1729 1728 1727 1726 1725 1724 1723 1722 1721 1720 1719 1718 1717 1716 1715 1714 1713 1712 1711 1710 1709 1708 1707 1706 1705 1704 1703 1702 1701 1700 1699 1698 1697 1696 1695 1694 1693 1692 1691 1690 1689 1688 1687 1686 1685 1684 1683 1682 1681 1680 1679 1678 1677 1676 1675 1674 1673 1672 1671 1670 1669 1668 1667 1666 1665 1664 1663 1662 1661 1660 1659 1658 1657 1656 1655 1654 1653 1652 1651 1650 1649 1648 1647 1646 1645 1644 1643 1642 1641 1640 1639 1638 1637 1636 1635 1634 1633 1632 1631 1630 1629 1628 1627 1626 1625 1624 1623 1622 1621 1620 1619 1618 1617 1616 1615 1614 1613 1612 1611 1610 1609 1608 1607 1606 1605 1604 1603 1602 1601 1600 1599 1598 1597 1596 1595 1594 1593 1592 1591 1590 1589 1588 1587 1586 1585 1584 1583 1582 1581 1580 1579 1578 1577 1576 1575 1574 1573 1572 1571 1570 1569 1568 1567 1566 1565 1564 1563 1562 1561 1560 1559 1558 1557 1556 1555 1554 1553 1552 1551 1550 1549 1548 1547 1546 1545 1544 1543 1542 1541 1540

[illegible][illegible][illegible]

Developments and opportunities in Eastern Europe

Read the latest news, analysis and comment in these four newsletters from FT Financial Publishing

EAST EUROPEAN MARKETS

A fortnightly newsletter providing up-to-date definitive news, analysis and comment on:

- ♦ Business investment ♦ Banking ♦ Business trends
♦ Industry ♦ Technology ♦ New legislation
.... with two unique, highly regarded monthly supplements
Moscow Bulletin and *The Changing Union*

FINANCE EAST EUROPE

Finance East Europe reports twice-monthly on investment, finance and banking in Central and Eastern Europe and the European republics of the former Soviet Union, including coverage of:

- ◆ Privatisation and restructuring
- ◆ Corporate investment
- ◆ Domestic equities and debt markets
- ◆ Commercial banking sector
- ◆ Portfolio investment activity
- ◆ International banking activity

EAST EUROPEAN INSURANCE REPORT

Each month, **East European Insurance Report** brings news and comments on a wide range of issues including:

- ◆ National market developments
- ◆ Risk management and control
- ◆ New products and policies
- ◆ Legislative changes
- ◆ Mergers and acquisitions
- ◆ Privatisations
- ◆ Liability issues

EAST EUROPEAN BUSINESS LAW

Every month, **East European Business Law** provides in-depth coverage of the legal developments essential if you operate, or plan to operate in these emerging economies, including:

- ◆ New legislation ◆ Court decisions
- ◆ Rulings by administrative/regulatory bodies ◆ Law reform measures

To receive a **FREE** sample copy of any of these newsletters, contact:

Charlotte Green
FT Financial Publishing
Maple House, 149 Tottenham Court Road
London W1P 9LL, UK
Tel: +44 (0) 171 896 2314
Fax: +44 (0) 171 896 2319



FT
FINANCIAL TIMES
Daily Publication

سورة الاحقاف

Was

We like s

Weekend FT



Photography by Neilson/Gamma Press/Allen Gough/Agencies Photo Montage by Peter Thompson

Wasps in the sandwiches

The English on holiday made John Betjeman cringe. He should see them now, says Justin Cartwright

Betjeman was a cunning little wasp. Because he shared them and even emitted the fears and prejudices of the English middle class with a delicate touch.

At the heart of middle-class life in England is the belief that things were better once, and that once was before the rise of the working class and particularly the phenomenon of the mobile working class first spotted in the 1960s.

It was fine to foot-oot down the lanes of Cornwall in the days when your Delaunay Belleville was the only car for miles around. It was fine to swim on beautiful beaches before the masses had become acquainted with water, either in the home or at the seaside. And it was particularly fine to stroll around Oxford smoking Balkan Sobranies and celebrating one's unique self.

Betjeman's successors - now leading the Volvo with

bodyboards and wet suits and heading for north Cornwall - have been seduced by the idea that this English life can be recreated. So what if the rented bungalow at seven hundred a week has a hideous slate fireplace and purple flowered carpets? So what if Polzeath beach, where Betjeman used to thrill as the breakers threatened his little ankles, is now a heaving, chip-scented car park, the waves a seal colony of flabby people trying to surf among the plastic bags? So what if the effluent from Padstow sometimes washes up on the beach where Betjeman used to picnic?

This is the *coût de la vie*: it is bracing, it is breezy, and above all it is Betjemaneque. As with boarding school, its discomforts are inexplicably beneficial.

Betjeman, like the National Trust, represents English standards, although it is perhaps not clear to those who enjoy the scented honeys and dried flowers, that the National Trust was

set up not all that long ago as a response to the coarsening of English life.

It is true, however, that the National Trust has saved some of Betjeman's Cornwall from total disaster. The cliffs along Pentire Head and around Port Quin, and the coastal paths and little coves (the bays, not the locals), celebrated by Betjeman are magnificent and provide a buffer zone against the Cornwall Betjeman described in later years as "... a pathetic sight, raddled and put upon and tired, and looking somewhat over-hired".

But what are the English standards that Betjeman represents these days? There are people who believe that the royal family is, in some way, hindering the onward march of the zeitgeist. The argument runs that if we did not have an institution like the monarchy, an anachronistic promoter of division and snobism based on class values, Britain would become more progressive, outward-looking and less class conscious.

It is an essential part of the Betjeman show to revel in the pain at the decline of the country

distaste for fancy food, revulsion against trade, a guilty admiration for aristocratic values and contempt for the common man.

But the common man has proved quite protean. He has escaped from the straitjacket by becoming an enthusiastic

consumer, a know-nothing redneck, precisely because the class system encouraged by Betjeman and Co - a system enthusiastically reinforced by the ideologies of the left - did not allow him to become a bourgeois in the time-honoured way.

Betjeman could not wait to escape the Highgate bourgeoisie. He cultivated all the things the "hearty middle-stumpers" despised. Now the hearty middle stumpers are cultivating Betjeman, the bard of a recent and wholly imaginary golden age whose outline they believe they can still see.

Outside Rick Stein's pleasant restaurant which looks out on to Padstow harbour the lumpen proletariat mill around suspiciously in their assertive but ill-assorted leisurewear, a packet of crisps and a can of Coke at the ready. Inside the restaurant, the metropolitans, all of them carrying a few lines of Betjeman in their heads, scoff languidly with roquette and seared tuna with truffle oil, and discuss

whether their children are going to get started GOSIA. The contrasts of modern Britain are indeed graphic. Of course, their children are getting drunk in the Mariners Arms and don't give a toss about Betjeman.

But still the old fears are being hatched and chiselled and polished, like one of the Betjeman family firm's tantaluses.

Rick Stein has in fact broken the mould: for the first time it is possible in this area to get the sort of food French people take for granted.

In most regards, however, it is harder now to ignore the deterioration of the delectable duchy than it was in Betjeman's day. But it is an essential part of the Betjeman lantern show to revel in the delicious pain at the decline of the country. This is the distinction and the fun of being middle class. And of course, the poet laureate of snobbery has laid down the ground rules of this pastime.

And foreground to the

hanging wood
Are toilets where the cattle kneel
And mint and meadow-sweet would scent
The brambly lanes by which we went
Now as we near the ocean reef
A smell of deep-fry haunts the shore
In pools beyond the reach of tides
The Senior Services container glides
And on the sand the surf-tine lisp
With wrappings of potato crisps
This is hardly great poetry, but it demonstrates

Continued on Page II

Deborah Devonshire

We like strangers in our house

The Duchess of Devonshire explains why her family keeps an open door at Chatsworth, Derbyshire

Who are tourists? What are they? You, me, friends, relations, most of the people we know and millions we don't. Why do we tour? What makes people come to Chatsworth?

It is no new phenomenon. The house has been open for people to see round ever since it was built. In the late 18th century the table was laid on "Open Days" for anyone who wanted dinner.

In 1849, the railway reached Rowsley, three miles away, and brought 80,000 people to go round the house and garden that summer. The Duke gave instructions that "the waterworks be played for everyone, without exception".

Huge crowds visited Chatsworth at the turn of the century at Bank Holiday weekends. The tour of the house and garden was free until 1906 and after that the fee - one shilling for adults and sixpence for children - was given to the local hospitals. It was not until 1947 that revenue from the visitors went towards the upkeep of the house and garden.

I have listened and talked to the people who have come here for nearly 50 years. The points of interest have changed, but the place has not - there is no fun, fair and no entertainment except the house and its contents. The same goes for the garden. Perhaps that is why only the genuinely interested come. Vandalism and litter are not problems.

Forty years ago a regular remark from women seeing the vast fireplaces in the state rooms was "look at all that black leading". Few women under the age of 70 know what black leading is now.

They are still astonished by the size of the house. A girl who complained about the price of a ticket, saying she didn't like paying so much to see a few old-fashioned rooms, reached the end of the tour and said: "I'm knackered. Bring me a chair."

Attitudes towards places such as Chatsworth have

changed completely in the last 50 years. After the war there was a strong feeling against privately owned big houses and estates.

In spite of this people came, if only to criticise. The government's penalisation laws were gleefully undermined by local government officials who did their best to make things difficult.

A typical instance was the vociferous lobby, instigated by Charlie White, the socialist MP for West Derbyshire and chairman of Derbyshire county council, to bring the A6 through the park a few yards from the house - an idea which would be unthinkable now.

The public has led the change in attitudes - conservation and preservation are all the rage and you are suddenly a hero for keeping the roof on; the cries of "pull it down" from the 1850s and 1960s are long forgotten.

In 1976 the Duke of Bedford wrote a very funny letter to The Times about Woburn. He concluded that

"... the average person comes to historic houses because he has bought a car and needs to drive somewhere in it. The number that come for real enlightenment and knowledge are so few that it is distressing."

Twenty years on people want to see works of art. Arthur Negus's television programmes, followed by the *Antiques Roadshow*, have sharpened interest in the objects displayed.

The influx of television cannot be overestimated. When a Jane Austen novel is filmed, the briefest

American visitors find it impossible to believe that anyone lives in this Derbyshire Disneyland

glimpse of someone's front door makes it an object of pilgrimage and crowds flock to see the hallowed spot.

A house lived in by the descendants of the family who built it is thought to be more interesting than one belonging to a government department or other organisation, however well presented. There is keen curiosity about the incumbents.

American visitors find it impossible to believe that anyone actually lives in this Derbyshire Disneyland. Children ask "Have they got satellite telly? Do they wear crowns? Was the duchess an air hostess?"

They are shocked by Laguerre's naked figures on the painted ceilings and think them out of place in such a posh house.

I am often asked if we mind the lack of privacy during the open months. On the contrary, I should mind if no one came. Chatsworth needs people to bring it to life.

We are lucky in that the place is so big there is room for all. It is so well built that

when the state rooms are full of visitors you can sit in our rooms below unaware there is anyone about. When the house re-opens every spring it is intensely pleasing to be able to show people the results of our winter's work.

Some visitors make surprising statements. There is a portrait of me by Lucian Freud, painted when I was 34. It is said to be not exactly flattering. A woman said in a gloomy voice: "That's the dowager duchess." Then, even gloomier: "It was taken the year she died."

A man, looking at Sargent's picture of the Acheson Sisters in their exquisite long white dresses of the *belle époque*, said to his wife: "Those are the Mitford girls."

It is extraordinary to think two of them are still alive. It certainly is. It was painted in 1901.

And I didn't know whether to be pleased or sorry when someone said to a warden: "I saw the duchess in the garden. She looked quite normal, really."

0900 29 29 29

Smart Class

not club class

£35

ONE WAY

Amsterdam

easyJet

Call 0900 29 29 29 anytime

3 flights a day from London Luton to Amsterdam, also Nice £49, Scotland £39, Barcelona £49. All fares single excl. tax subject to availability

CONTENTS



Fashions: The former queen of pink lines-up for Dior X

Travel: A stormy night in Cordoba X, XI

Education: Is there life after A-levels? VII

Food: How the Q&A is fed and watered IV

Property: At home in the office VI, VII



Perceptions: Paris and boredom at air traffic control XI

Books: Down back to Manderley XII

Sports: Money still can't buy you everything in football IX

Art: X, XI
Arts Guide: X
Books: X
Brillings, Clancy, Crossland: X
Fashion: X
Food & Drink: X
Gardening: X
How To Spend It: X
Motoring: X
Perspectives: X
Property: X
Small Business: X
Sport: X
Travel: X
Weekend Investor: X, XI, XII

PERSPECTIVES

The Nature of Things

Living in the primordial soup

Clive Cookson looks at the way molecules could have evolved on the young Earth or Mars

Last week's claim that signs of ancient Martian microbes had been detected in a meteorite has re-focused attention on the way life might start in the "primordial soup" of chemicals on a young planet.

Most scientists say the vital step must be the emergence of a simple self-replicating molecule, which assembles new copies of itself from building blocks in the chemical soup. Imperfections in the replication process produce many variants of the molecule, some of which are better suited than others to prevailing conditions. The result is evolution, in the Darwinian sense, leading to increasingly complex molecular assemblies - primitive microbes.

But there is no scientific consensus on the identity of the first self-replicating molecule or the way it might have formed.

The favourite candidate is ribonucleic acid (RNA), a molecule that plays a key role in all contemporary life. RNA is a close

scientific cousin to deoxyribonucleic acid (DNA), the double helix molecule that stores genetic information.

In almost all modern organisms, RNA acts as an intermediate in the translation of genes into proteins - the molecules that do most of the work in biological systems. DNA is copied into RNA, which then produces proteins. But in a few viruses, including HIV, RNA itself stores genetic information.

The theory that life began with an "RNA world" received experimental support in 1993, when Thomas Cech at the University of Colorado showed that RNA could not only store information

but also act as an enzyme, catalysing its own formation from nucleic acid building blocks.

According to this scenario, the original short RNA molecules, which had formed by chance from nucleic acids in the primordial soup, would gradually have grown longer and become more efficient catalysts under the pressure of natural selection. They would have developed chemical associations with other molecules, notably proteins, and formed cell walls. Later the proteins would have taken over the catalytic role, because they are more efficient enzymes, and DNA would have become the store of genetic information

because it is chemically more stable than RNA.

Opponents of the RNA view say there is no evidence that all four of the nucleic acids required to build RNA would have been present in the primordial soup - and even if they had been, there would not have been enough energy to start assembling them into RNA.

There are other candidates for the original self-replicating molecule. One is peptide nucleic acid, a molecule with a protein-like backbone and nucleic acid side chains, which could later have been replaced by RNA.

Another exciting possibility was suggested by a paper in last

week's Nature, which was overshadowed by all the publicity about Martian microbes. Reza Ghadiri and colleagues at the Scripps Research Institute in California showed for the first time that a short protein molecule - a peptide - could replicate itself. As Stuart Kauffman of the Sante Fe Institute wrote in Nature, their result "may prove to be either a mere chemical curiosity, or seminal".

The idea that peptides could have been the first molecules of life is appealing to scientists, both because proteins are so important today and because their building blocks - amino acids - are likely to have been

present in the primordial soup.

In 1953, Stanley Miller and Harold Urey carried out a famous experiment at the University of California, San Diego. They simulated the atmosphere of the young Earth by mixing water, methane, ammonia and hydrogen in a large flask, and then discharged electricity through it to mimic lightning. This produced small amounts of amino acids - and caused a sensation comparable with Watson and Crick's discovery of the DNA double helix the same year.

Although Charles Darwin had conceived the idea of life starting in some sort of primordial broth, the Miller-Urey experiment

launched prebiotic chemistry as a respectable field of study.

Since then, amino acids have been detected in tiny quantities in meteorites and moon rock and even (through spectroscopic analysis) in outer space. Indeed the idea that Earth's primordial soup was "seeded" with organic molecules from space is gaining scientific respectability, though it is still a minority view.

However, soup may not be the best analogy. Recent experiments at the Salk Institute in California show that the formation of long molecules - built from either nucleic acids or amino acids - is far more likely to take place on the surface of clays or minerals than in a liquid broth. They confirm an idea put forward 50 years ago by J.D. Bernal, the great British crystallographer. As Nature put it, the polymers of life were more likely to have been baked like prebiotic crêpes on a hot stone than cooked in a prebiotic soup.

Minding Your Own Business

Addicted to the sweet life

Nicholas Lander on a one-man, home-cooking success story

Four years ago Philip Weldon, 36, was selling flats and houses in north London. In June this year he stood in the food hall of Fortnum & Mason, Piccadilly, to deliver two demonstrations to packed audiences on "English Cheesecakes".

Other milestones in the history of The English Cheesecake Company, which produces 8,500 desserts a week with a staff of four, generating a turnover of £500,000 and gross profits of 25 to 30 per cent, include a few months when Weldon made cheesecakes from home and a spell when he rented kitchen space in a nearby delicatessen.

It was after he convinced Selfridges food buyer that his one-man operation would be able to meet their orders that his business took off. Now Weldon's customers include the Ritz, Fortnum & Mason and, most important for the company's cash flow, the rapidly expanding Pret à Manger chain.

This firm, which operates 50 up-market sandwich sites around London and plans to open a further two a month, takes 80 per cent of Weldon's weekly output and enabled him to augment his product range. What began as two flavours of cheesecake to serve 10 has diversified into seven different flavours of single-portion cheesecake: *mousse au chocolat*, *crème caramel*, *crème brûlée* and *pot au citron*. Each sells for between £1.25 and £1.65.

Underpinning The English Cheesecake Co's growth has been Weldon's aim to make his desserts taste different from the competition, allied to a single family recipe and a passion for all things sweet.

Weldon is determined to make everything as naturally as possible, using no additives or artificial preservatives. "All I am trying to do," Weldon said, "is to apply the very best home-cooking methods to a commercial venture. Our ingredients are simple. The *pot au citron* is just freshly squeezed lemon juice, double cream and sugar."

"All that is in the cheesecake is low-fat curd cheese, whipping cream, eggs, digestive biscuits, vanilla and natural vanilla extract. We have to use pasteurised eggs but we import them in liquid

'I'd often go into the office with cheesecakes I'd made the day before'

form from Belgium twice a week because these are guaranteed salt and sugar free."

The result is that Weldon's desserts taste of what they are made from and regularly come top in "blind tastings" held by newspapers, food magazines or potential customers. "People say that they are compulsive, that they are like drugs," he said, "but these principles have helped to widen their appeal."

Weldon admits that these principles would be nothing without the original cheesecake recipe that belonged to his mother and his aunt. "As a child I can remember nothing nicer than eating what was left over in the mixing bowls or coming down the morning after my parents had given a dinner party and finishing all the desserts in the fridge," Weldon confessed.

His father arranged for him to spend his school holidays working in the kitchens of the Mount Royal Hotel in London's West End. At 18, catering college beckoned but Weldon was sidetracked initially as a trainee for McDonald's and then for more than a decade as an estate agent.

"I was earning a good salary and driving a BMW convertible but I was in love with cooking and eating desserts," Weldon said. "If I was invited to friends for dinner I would make them a strawberry cheesecake instead of taking a bottle of wine. I'd happily finish a meal in a restaurant with two or three desserts to try and discover what the professional chefs were up to and I'd often go into the office with cheesecakes I'd made the day before."

These were welcomed and provoked the comments that spurred Weldon to do some simple mental arithmetic. "Friends said that my cheesecakes were better than anything they could buy and why wasn't I doing it for a living. I set down and worked out that if I could



Service with a smile: Philip Weldon gave up a career as an estate agent to make cheesecakes

Gail Davis

sell 30 cheesecakes a week, at 25 each, I could pay myself enough to cover the mortgage. I approached the owners of the Roslyn Deli-catessen, Hampstead, and when they agreed to buy them I resigned from the agency and became a full-time cheesecake maker."

Without any capital, Weldon began from home using a domestic mixer and a Bosch oven that could cook a maximum of six cheesecakes. He did everything himself and when his flat proved too small, one customer even stored the raw materials for him.

The company is now based in a modern 1,500 sq ft unit where the air is heavy with the smell of vanilla and chocolate imported from France. But Weldon confesses he wakes up every morning feeling sick.

"I wake up with my stomach in knots," he said. "I have been very fortunate because other than my mother helping with the purchase of a commercial mixer which cost £1,800, I have never had to borrow any money. I have kept overheads to a minimum and the company has always generated a positive cash flow."

"I feel this way because there is only me running the company, there is no one else to share my problems with. By lunchtime, after I have been out from 6.30 in the morning making deliveries, then spoken to my customers and finally been busy in the kitchen, I feel much better."

Weldon's cure for the loneliness of the single business-man is to give himself treats. "I've never stinted on the money I spend in the gym," he admits.

Yet he remains aware of possible dangers. "By relying so much on one particu-

lar customer, the company is exposed, but it's the only way it could have grown without being financially stretched. What I want to do now is to build up a business that runs smoothly but does not run me."

Gratified by the appreciative comments his desserts have enjoyed over the past three years, Weldon knows he will never abandon this rewarding but physically demanding career.

■ *The English Cheesecake Company, Unit 54, Pall Mall Deposits, 124-126 Barley Road, London W10 6EL. Tel: 0181-964 9356, fax 0181-960 9682.*

Truth of the Matter
Silenced voices of caution

There were nine of us in the room, eight men and one woman. We were sitting round an elegant, oval table, discussing medical ethics. The men were engaged in an abstruse metaphysical argument about when life begins and who is a person. The woman said nothing, though having been a theatre nurse, she knew more about it in real terms than any of the men.

Eventually, when the discussion had been proceeding for about half an hour, she spoke. "Sometimes," she said, "I had to empty the suction jar after an abortion. I remember once finding a tiny, perfectly formed hand stuck to the bottom of the jar."

The abstract philosophical talk came to a juddering halt. Instead of asking what we thought about the beginnings of human life, we were confronted with what we felt about it. Slowly, and more soberly, we returned to the philosophical discussion, not as a defiance against raw feelings, but in order to discover whether our feelings had a rational basis.

I taught medical ethics for seven years, to groups which included nurses, doctors and a former professor of obstetrics, and I thought that I was beyond the point of being shocked. News of the eight-fold pregnancy did not surprise me, but I found the earlier news, that one healthy twin had been aborted, deeply shocking.

It reminded me of those sayings in the Gospels about the end of the world: "Two women will be grinding corn, one will be taken and the other left; two men will be working in a field, one will be taken and another left." Twins will be in the womb, one will be taken and the other left. But a feeling of shock, even aggravated by such normative, offered no guidance about whether the abortion was right or wrong; and since the hospital wisely but belatedly refused to give any more details of the mother's circumstances, no judgment is possible.

That did not prevent the discussion from being hijacked by three groups of people with crystal clear views about whether it was right or wrong.

One group consisted of people whose twin had died. They spoke in apocalyptic terms about the wrong done not only to the twin whose life had been ended, but also to the one whose life had arbitrarily been allowed to continue. But experts tell us that around 80 per cent of pregnancies which start with twins reduce naturally to singletons. One foetus dies, without any harm, physical or psychological, being done to the other.

The other two groups have dominated discussion about abortion since before 1967. They are, of course, pro-life at one extreme and pro-choice at the other. Both groups have the great advantage of simplicity and clarity. Their thinking can be expressed in slogans: "abortion is murder", or, "not the church, not the state, let the woman decide her fate".

If you are not pro-life, you are in favour of killing. If you are not pro-choice, you are against women. Subjected to this remorseless pincer movement, those in the middle ground are squeezed, caricatured as

weak and unprincipled, reduced to silence by strident voices.

It is easy to hold an extreme view. There is no doubt about what is right or wrong, no agonising over complex and intensely personal decisions. It is far more difficult to be both pro-life and pro-choice, and to have to weigh in the balance the conflicting claims of two lives.

Yet I suspect that most people hold a deeply principled view which is both pro-life and pro-choice. I have no statistical support for saying this. So many abortions are carried out for social rather than for medical reasons that the evidence suggests most people are pro-choice. But it is clear that if the majority held the absolute pro-life view, pressure to amend the Abortion Act would be overwhelming; and it is not.

If the majority are both pro-life and pro-choice, then we are, perhaps without realising it, remaining faithful to the long tradition

The quieter voices of those who are both pro-life and pro-choice are difficult to hear

which has informed our morality and law for centuries. That tradition was expressed with great care by Archbishop Michael Ramsey in a speech he made in 1967, before the Abortion Act was passed. "If we are to remain faithful to the tradition," he said, "we have to assert, as normative, the general inviolability of the foetus."

He avoids the emotive language which prefers to describe the foetus as an unborn child, and he speaks with great precision about general, not absolute, inviolability. There are circumstances in which abortion is necessary, as the lesser of two wrongs. But, he continues, "that the hold to the belief 'that the human foetus is to be revered as the embryo of a life capable of coming to reflect the glory of God'."

The life of the mother, and the lives of her existing children, are already capable of "reflecting the glory of God"; or, to put it in non-religious terms, of living a fulfilled, genuinely human life. Weighed in the balance, the foetus against the physical or psychological health of the mother, or her existing children, the balance will sometimes come down against the unborn foetus. Abortion, in such circumstances, is a necessary cruelty.

We may suspect, just from the number of abortions carried out, that the human foetus is sometimes treated with rather less than reverence, and that abortion is an easy convenience. But the quieter voices of those who are both pro-life and pro-choice, and who urge a more careful balance between choice and life, are difficult to hear when the strident extremes bellow so loudly.

Philip Crowe

Continued from Page 1

how shrewdly Betjeman appreciated his audience. You don't have to be a trained deconstructionist to see the many little sneers

Cheese No.1, 141; 1...Qo77 2 csi
Reserve, 180x180x5 3 B0553
c08 B06 4 d07 B01 5
c08x wms.

and prejudices wrapped up in the few lines: "toilets" (derisive); "mint and meadow sweet" (bucolic); "the brambly lane by which we went" (bucolic and exclusive); "the smell of deep-fry" (proletarian); "Senior Service container glides"; "the wrappings of potato crisps" (common, brutish).

The words are given with such lip-smacking relish that

you wonder how Betjeman would have reacted to crack-dealing, road-rage and glue-sniffing in Trebetherick.

But then you realise that he would have loved them. The whole point is the awfulness of the others; this is what gives poignancy and meaning to your own finer feelings.

Now I'm sitting on the

ninth tee at St Enodoc golf course hoping to send my ball soaring, or at least bounding energetically, down towards the little churchyard where Betjeman lies buried.

I've recovered, only just, from the guilt of lying about my handicap and home course and from the mute disapproval directed towards my tennis shoes.

And now I feel a wholly unworthy sense of privilege: my God, I am going to smash my ball down towards the last resting place of a poet laureate.

Around me high court judges and captains of industry, (and, one or two people who have been victims of downsizing) are having a merry time in the same way.

The view is stunning from here: you can see the little, hicken-starred church half buried, the Daymer Bay glinting and the plump roundness of Bray Hill, but you can't see the café and the car park.

Like Betjeman, seduced by Betjeman, I see splendour, splendour everywhere. It's just a matter of knowing where to look.

مكتبة الادب

PERSPECTIVES



Suspended in mid-flight

Air traffic controllers are moving – as soon as their new software works. Michael Skapinker reports

It is mid-afternoon when someone drops by to tell Andy Wall that the military has stopped firing missiles at Shoburness in Essex – aircraft in the area that was to fly at low altitudes can now do so. Wall's immediate concern is to lift a British Airways flight above the aircraft crowding around the south-east of England. The BA aircraft, which has just left London's Gatwick airport on its way to Bremen, appears as one of many green dots on Wall's radar screen. A few of the other green dots in the south-west corner of the screen look like they are bumping into each other. Wall assures me that they are not. Those are the aircraft taking off and landing at London's Gatwick airport. It is all perfectly safe, he says.

This is the London Area and Terminal Control Centre at West Drayton. Set in the western sprawl of London's western fringes, the centre is responsible for keeping aircraft a safe distance from one another in one of the most crowded pieces of airspace in the world.

The 800 air traffic controllers at the centre take care of 1.5m flights a year in English and Welsh airspace, some of which are travelling to or from UK airports. Others are just passing through.

In parts of the US the airspace is as busy, but there are few places where it is as complicated. Much of US air traffic is domestic, with those who speak English as their first language. But controllers at West Drayton encounter many languages – a conversation with a Dutch pilot could be followed by a Spanish one, followed by a Moroccan.

In the summer months, the controllers, who work for National Air Traffic Services, part of the Civil Aviation Authority, handle nearly 5,000 flights a day. "We're in the thick of it now," says Colin Chisholm, the centre's general manager.

The number of flights handled at West Drayton will rise 5 per cent this year. Last year the numbers also rose by 5.5 per cent and 5 per cent the year before that.

One of the experienced air traffic controllers describes the job as "hours of boredom and minutes of panic". But neither the boredom nor the panic stop people wanting to become air traffic controllers.

The College of Air Traffic Control in Bournemouth receives 3,000 applications for its 92 places each year. Once they become controllers, staff turnover is statistically insignificant: less than 1 per cent a year, according to Chisholm.

What sort of person wants to do the job? "You get different theories about it," says Chisholm. "Some people say they have to be extroverts. I'm not convinced. They have to be fairly self-confident and what you might characterise as sharp and quick on the uptake."

Tracey Duncan, a former West Drayton controller who now teaches at the Bournemouth college, says: "You need to be assertive, positive and quick-thinking. Not deep-thinking. Being a perfectionist is a weakness, feeling you've got to find the perfect answer."

Lloyd Brown, head of the Bournemouth college, says: "We don't want academics. It's almost counter-productive. The job is reactive. The problem sometimes is that people have been taught to think of too many alternatives."

The entry criteria for the air traffic controller course reflect the anti-academic bias. Applicants must have five GCSEs, have started studying for further qualifications, such as A-levels, but do not need to have passed or even taken the examinations.

Many Bournemouth trainees, however, easily surpass the entry criteria because an increasing proportion of UK school leavers have higher education qualifications. In fact most trainees selected – on

the basis of interviews and tests including personality and special awareness assessments – are graduates from a wide variety of disciplines.

It is not only air traffic controllers, of course, who think their work is unexciting to the highly educated – city dealers say the same applies to their work.

But unlike the world of city dealing, Chisholm says early burn-out is rare at West Drayton.

"By their fifties, most controllers will have gravitated to some sort of supervisory position, although

there are some radar controllers in their fifties. You don't get more personal problems here than in any other workplace this size. We offer some stress counselling services, but they're not greatly called for.

"The supervisors can spot someone who is not on top of things, for family reasons, for example, and he might need a day or two at home. There's a lot of support from the team."

Joe Magee, national aviation officer at IPMS, the technicians' union, says the selection process for controllers tends to screen out people prone to stress. Nevertheless, he says his union, which represents 95 per cent of the controllers, has seen an increase in drink-related problems and heart conditions at West Drayton. The

centre is not in crisis, Magee says, but the increase in air traffic has affected controllers' health.

Experienced controllers agree workloads have increased – last winter, for instance, there were as many flights as in the summer peak of 1987. But they say the technology has improved too. Aircraft used to appear on the radar screen as dots. If controllers wanted to identify a dot, they had to ask the aircraft to move in one direction or the other. Having identified it, controllers had to remember which dot on the screen represented which flight.

"There were incidents which were totally attributable to 'mis-idents'," says Mike Inglis, a controller for 21 years.

Today, transponders on the aircraft transmit a range of information to ground control, so that the flight number, altitude and destination of an aircraft appear on the screen under the dot.

But while there have been great strides in information available to controllers, West Drayton's working environment has not changed much.

There has been substantial investment in some of the centre's facilities in recent years. But the drab carpets and chairs, dim lighting and piles of scrap paper littering the floor remain. West Drayton, according to the management and staff, is out of date, or "time expired", as the controllers put it.

The aviation authorities would not disagree. Indeed they look forward to transferring the controllers to a new £350m centre at Swanwick, near Fareham, Hampshire.

The new operations room is the biggest in the world, the size of half a football pitch. Its screens have been designed with comfort in mind – The Royal College of Art was brought in to advise on appropriate background colour lighting. Controllers will have more on-screen information, such as access

to airport maps or the operating characteristics of different types of aircraft, and will even be able to view the latest weather forecast.

This is the future of air traffic control. Except that it does not work.

Software engineers are busy at Swanwick trying to find out why the most advanced air traffic control system in the world – and with computer software costing £120m, possibly the most expensive – does not work properly.

The original software contract was awarded to IBM of the US. IBM then sold this part of its business to Lorax, another US company, which was in turn acquired by Lockheed Martin, the US defence and aerospace group.

Once the contractors had developed the software, they tested it on 30 workstations at a centre in Portsmouth. It worked. They then tried it on 150 workstations at Swanwick. It did not work.

Swanwick was due to begin taking over from West Drayton in December, a phased process which would have seen the last controllers arriving in 2003. The transfer will now begin in the winter of 1997. The CAA says the cost of keeping the controllers at West Drayton for another year will be £11m.

Solving the centre's problems is a huge task: the new system has 2m lines of specialist software.

"They have had to go back into the operating system and they have found some interesting glitches," says Gordon Doggett, Swanwick's general manager.

When the software engineers have done their work, some of West Drayton's controllers will move in and start work. The date will also be set for an official opening.

Then we will transfer the rest from West Drayton one Saturday and you won't know about it," Doggett says. "If you do, something will have gone wrong."

'When we move you won't know about it. If you do, something will have gone wrong.'

First battle of many against paedophilia

Edward Luce says the Philippines is at last learning how to tackle its chronic child abuse problems

As one of the most notorious destinations in the world for paedophiles, it is not often that the Philippines can claim to have won a battle in what has frequently seemed a lost war.

Unleashed, the United Nations children's fund, estimates that with 80,000 child prostitutes, the Philippines, along with countries such as Brazil and Sri Lanka, is among the freest havens in the world for paedophiles.

The conviction last month of a British tourist, Stephen Mitchell, for paedophilia thus constituted something of a milestone for Manila's overstretched judicial system. As the first Briton to be convicted of this crime in the Philippines and only the second foreigner in the country's history (the first, an Australian, Victor Fitzgerald, was imprisoned earlier this year), Manila's child welfare departments had a rare opportunity to celebrate.

Until the Fitzgerald case, the standard official practice was to deport foreigners who had been caught abusing Filipino children. The absence in most western countries of

extra-territorial laws to prosecute citizens caught abusing children overseas meant that deportation, in effect, closed the matter. In the case of Germany, which mandates its diplomats to return passports to its citizens even when they are out on bail for child abuse, has done little to promote good-will towards the west.

Recent events, however, suggest the once blind eye could at last be giving sight. As the prison door was slammed on Mitchell last month, a door of opportunity was opening across town. Matthew Gould, third secretary at the British embassy in Manila, had brought two British detectives to the Philippines to conduct a two-week training course on child abuse for local police, lawyers, doctors and officials.

The course, hailed by its Filipino participants as a genuine step forward in Manila's hitherto intermittent fight against child abuse, led to the creation of the Philippines' first dedicated anti-child abuse police unit. Instead of flying a few select officials to London (or Stockholm or Sydney) for

instruction at Scotland Yard, as had been the norm until last month, the experts came to Manila and put the facts in a Philippines context.

"This was a real breath of fresh air," says Karen Gomez-Dumput, head of the government child centre in Manila. "The advice was two-way. And as a result I think it's going to stick."

Apart from setting up a 15-member police child unit at the National Bureau of Investigation, Manila's elite police unit, the exercise prompted the creation of the country's first child crisis centre at the Philippine general hospital.

"Difficult as it may be to believe, I felt for the first time that I would be able to co-operate with my counterparts at the NBI," says Bernadette Madrid, a paediatrician, who is to head the child crisis centre. "Up until now it has been like a dialogue of the deaf."

Madrid's point is backed up by a litany of examples. Earlier this year she examined a child for signs of abuse. The process took much coaxing as the abuser was the child's father. Finally, after the basis for a

case had been established, Madrid asked the NBI to talk to the victim.

"They came rushing into the ward with journalists and photographers and started barking: 'Who abused you? It was your father wasn't it?' The next day her photograph and name was published all over the newspapers." The child, needless to say, felt she had experienced enough trauma for a lifetime and withdrew the testimony.

In other instances the NBI handcuffed the victim and then subjected the child to rigorous interrogation in front of an audience of officials. If that did not destroy the child's resilience then the media attention and the defence's cross-examination in court would almost cer-

tain finish off what remained. The upshot is that the legal system deters victims from speaking out.

"One of the main purposes of the course was to stress the importance of treating the child with the utmost sensitivity," says Sharon Stimpson, a detective constable. "This is the most important aspect of dealing with child victims."

As a consequence, the interview room at the child crisis centre will be fitted with a two-way mirror so that only one adult need interview the child. Observers with the child's full knowledge, can record the proceedings from behind the mirror. Another measure will ensure that the child is physically examined only once regardless of how many appeal courts the trial goes through.

Video testimony will also be introduced to prevent confrontation with the suspect. The authorities will also attempt to shield the child's identity from the tabloid press.

"All of this was new to me," says Attorney Mamerto Espatero, who is to head the NBI anti-child-abuse division. "We are going to completely change our attitude towards the children. We understand the importance of making the child feel as comfortable as possible."

With only one police unit and one medical unit dealing with crimes against children in a country of 68m people, few believe that progress will be swift. Nevertheless, those involved have confidence in the knowledge that for the first time the authorities are starting to sit up and take notice.

Madrid is hoping that the British embassy will make the course an annual event (other British embassies in Asia have also requested information about the course). She says that the next step is to raise awareness about child abuse among the wider public.

"We must encourage people to realise that abuse in the home is not a private matter that must be kept in the family."

"We must also make people realise that child abuse is not just committed by foreigners. The vast majority of child abuse in the Philippines is perpetrated by Filipinos."

Lunch with the FT

Hungry, but not for food

Nigel Spivey finds John Redwood has a powerful appetite

He has a lean and hungry look. The invitation to lunch was virtually on the prime minister's behalf. We must fatten up this man. Lull him into longer hours of rest. Stop him thinking too much.

With its air of affordable epicureanism, Zoe's restaurant off Oxford Street should have done the trick. But here was one of nature's own conservatives.

"Soup and fish," he snarled. "Any particular sort or flavour of soup?" asked the waitress. "Your best. And then some salmon. To drink, an orange juice."

"Are you pressed for time?" I asked.

"No. We can have as long as you like. But I need to keep sharp for later on."

Sharp. My mission to soften the thrust of John Redwood MP was already stumbling. When food and drink are mere fuel for steepling the edge of the next polemic, lunch is no seduction. It was a redundant question, but I began by asking why he had not stayed on (at All Souls, Oxford) as an academic historian.

"Why study history when you can be making it? I had wider work to do. I wanted to engage with the debates of the present, not serve as a scribe to controversies of the past."

Engage with debate. Since we were obviously not going to engage much with Zoe's offerings, I thought, we may as well have the Redwood manifesto instead.

"Germany now rules France. The French think they're driving the European Community, but they're not [Chancellor] Kohl is. He's got French administrations in his pocket. And no one's strong enough to challenge him in his own country."

Debate? This sounded like the Norman Tebbit school of plebeian rhetoric.

"You'll tell me now that Brussels is a cindered palace of meddling mandarins," I said, as we both began shovelling our food.

"Hmm," replied Redwood. "Not a bad way of putting it. No," he continued, "it's worse than that. If only they were mandarins. But they're jokers. What struck me in my ministerial days, whenever I went to Brussels, was just how little thought had gone into the drafting of laws."

I rose to the defence of my lovely and brainy sister-in-law, a treasury trainee who maintains just the opposite view. He was not moved.

"Of course civil servants adore Brussels. They can pass as many laws as they like, and never have to answer to an electorate. Do you know how many type-approval directives Brussels has come up with for a car windshield?"

I paused for my tasteless fuel, a fish entirely new to me, called a ruffly (pronounced ruffy) and wondered aloud where it came from.

"New Zealand, I think. Excellent," said Redwood.

"You were saying – about car windshields."

"Forty-four. I believe that's the number. Can you imagine it? It has to be the minimum regulation for safety standards. Then let the free market decide what makes a good windshield. How could anyone ever start up making things under this burden of specifications? Brussels is killing the main-

spings of private industry with its mania for rules."

I suggested we might simply ignore them.

"Oh no we can't. We're not like other member states I could mention. We're a law-abiding country. You can't change that habit. And imagine the fate of any British minister who flouted European law. Some civil servant would be bound to make an issue and force his resignation."

This man has had a primal trauma with a civil servant once. But I did not pursue it. As the restaurant grew more raucous, our conversation evolved into a rally of dispatch-box statements.

Are you a Little Englander then? I called.

"Emphatically not," he bellowed. "Middle England maybe, and proud of it."

We can't compete against Redwood MP was already stumbling. When food and drink are mere fuel for steepling the edge of the next polemic, lunch is no seduction. It was a redundant question, but I began by asking why he had not stayed on (at All Souls, Oxford) as an academic historian.

"Why study history when you can be making it? I had wider work to do. I wanted to engage with the debates of the present, not serve as a scribe to controversies of the past."

Engage with debate. Since we were obviously not going to engage much with Zoe's offerings, I thought, we may as well have the Redwood manifesto instead.

"Germany now rules France. The French think they're driving the European Community, but they're not [Chancellor] Kohl is. He's got French administrations in his pocket. And no one's strong enough to challenge him in his own country."

Debate? This sounded like the Norman Tebbit school of plebeian rhetoric.

"You'll tell me now that Brussels is a cindered palace of meddling mandarins," I said, as we both began shovelling our food.

"Hmm," replied Redwood. "Not a bad way of putting it. No," he continued, "it's worse than that. If only they were mandarins. But they're jokers. What struck me in my ministerial days, whenever I went to Brussels, was just how little thought had gone into the drafting of laws."

I rose to the defence of my lovely and brainy sister-in-law, a treasury trainee who maintains just the opposite view. He was not moved.

"Of course civil servants adore Brussels. They can pass as many laws as they like, and never have to answer to an electorate. Do you know how many type-approval directives Brussels has come up with for a car windshield?"

I paused for my tasteless fuel, a fish entirely new to me, called a ruffly (pronounced ruffy) and wondered aloud where it came from.

"New Zealand, I think. Excellent," said Redwood.

"You were saying – about car windshields."

"Forty-four. I believe that's the number. Can you imagine it? It has to be the minimum regulation for safety standards. Then let the free market decide what makes a good windshield. How could anyone ever start up making things under this burden of specifications? Brussels is killing the main-

'We'll be bailing out the geriatric poor of Brandenburg Prussia'

me tell you one of our best – Margaret's best – policies. That was to wean people in Britain off the state pension system. France and Germany have committed themselves with promises far beyond what they can afford in that respect."

So?

"So that's another good reason why we shouldn't join their currency. We'll be picking up their welfare bills."

You're kidding.

"Of course we will. Do you honestly think that a single currency won't lead to a single taxation system? We'll be levied. We'll be bailing out the geriatric poor of Brandenburg Prussia."

Did I see flames behind his icy eyes? "Not to mention," he powered on, "losing Nato security, and our cricketing friends around the world."

I tried to manoeuvre our discourse in other directions – some gentle backwater of history, perhaps. But we only ran into his absolute heroine, Elizabeth I – and it started all over again.

"Prudent finances... stabilised our coinage, and the Union... saw off the threat of Spain absorbing all Europe..."

I listened quietly, nuzzling a coffee.

Eventually I pointed out that there would not be space for the full manifesto. "Write what you will," he said. "I don't have time to read the papers anyway. But these are the concerns I hear on the doorsteps of Middle England."

My apologies to Mr Major. His challenger departed our lunch with fire in the soul, a spring in his step – and an appetite for power which is far from satisfied.



John Redwood, alert and sharp with a fire in his soul. *Fergus Wilson*

Silenced voices of caution

FASHION / HOW TO SPEND IT

Wacky Westwood for classic Dior?

The one-time queen of punk is emerging as front-runner for the job of designer at the prestigious Paris couturier, says Jane Mulvagh

Following the resignation of Gianfranco Ferré as designer of Christian Dior, France's most prestigious and patrician couture house, fashion circles are buzzing. Who will succeed him?

Three names are repeatedly mentioned: the Frenchmen Jean-Paul Gaultier and Christian Lacroix and England's Vivienne Westwood, who is emerging as the clear front-runner. Indeed Paris sources claim that she has already accepted the post but is unable to confirm until October. Her press office fields questions with a gleeful "no comment".

The appointment is vital, not only to the future of this vast luxury goods empire, but also to the cultural prestige of France. Dior lies at the heart of French haute bourgeois culture. The wives of presidents, ministers and senior civil servants, as well as the serious formal society which survives, are dressed with propriety - and a deco-

As early as 1985 Westwood told Malcolm McLaren she wanted to become a couturier

rous nod to fashion - by this great institution. The more dignified European royals also favour it for public occasion dressing.

Dior is not just the world's most famous fashion label but a national icon and has been since the 1950s. When the 21-year-old Yves Saint Laurent succeeded Christian Dior as designer in 1957, his debut collection, 1958, was rapturously received. Crowds gathered outside 30 Avenue Montaigne, chanting his name while, legend has it, exuberant taxi drivers assured passengers that the "dauphin" had saved not just Dior but La France.

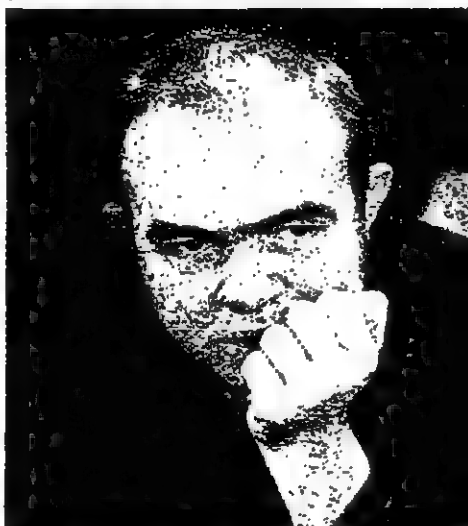
Even allowing for the reduced relevance of couture, this appointment bears a weighty significance not only in the international fashion world but also in French cultural circles.

And it is in the gift of Bernard Arnault, chairman and chief executive officer of LVMH, the luxury goods holding company which owns the Louis Vuitton luggage label, Hennessy cognac, and Moët Chandon champagne, and fashion houses Dior, Lacroix, and Givenchy. Dior is also big business: 1995 turnover was almost FF81bn.

It might seem astonishing that Westwood, who has failed to shed entirely the subculture of the Queen of Punk, should be so well regarded at the heart of French fashion as to be shortlisted. But Westwood has determinedly undergone a sea-change in her design philosophy, a change that



Vivienne Westwood, a leader of fashion, in one of her many off-the-wall designs



Christian Lacroix and Jean-Paul Gaultier also suggested as likely candidates



Christian Lacroix and Jean-Paul Gaultier also suggested as likely candidates

began in the mid-1980s. As early as 1985 Westwood confided to her ex-lover Malcolm McLaren that she wanted to become a couturier, a confidence that would have made many guffaw. But she abandoned the barricades for museums, set her sights on Paris, and singled

out Dior's designs to scrutinise and interpret. Pilgrimages were made to the Victoria and Albert Museum where she memorised his archly feminine and nostalgic New Look of 1947 and his Envol and Zig-Zag (1948) and Cupola (1953) collections. For seven years she has

been updating and restyling his work; take any collection from 1989 to the present, rinse it of the attention-seeking gimmickry - nudity, safety pins, platform shoes - and you will find elements of the narrow-shouldered, tight-waisted, full-skirted, jolite madame fashions of the

original Dior.

In the spring of 1991, it was rumoured that the renewal of Ferré's five-year contract was in doubt. I suggested to Westwood that I introduce her to the house as I believed she would be an appropriate candidate to succeed Ferré.

Many thought I was crazy: she had just won the Designer of the Year Award yet was still an outsider. Her second Designer of the Year Award and the OBE lay in the future.

Westwood, with a canny nose for a good opportunity, could not resist. Armed with her portfolio and as much chutzpah as we could muster we set off on May 15 from Heathrow.

We must have cut a strange pair at the crack of dawn in the airport terminal. Westwood negotiated the newly mopped floor with her platforms, one hand swinging a carpet bag, the other hitching up the skirt of her cling-film tight, gold-printed velvet dress. Atop 6in court shoes, I was



Gianfranco Ferré: resigned from France's fashion institution

dressed in her black velvet Rob Roy jacket with matching mini, and a cavalier's blouse.

Our appointment the next morning was with Daniel Fien, the director general of Christian Dior (now director general of LVMH).

Dior occupies a whole block of the wide, tree-lined Avenue Montaigne. It is one of the truly grand couture houses left in the world. The dove grey facade is punctuated every few metres with a grandiose plaque which tilts down imposingly over your head and bears the house's initials in classic gold script.

The ground floor boutique is fitted with the sort of delicate, turned wood display cases that few contemporary cabinet makers could equal. In one, a virgin-white organza evening blouse for \$800, grander in its simplicity than any embroidered rival; in another a slim aubergine silk petersham evening pump for \$220.

And the vendeuses, far too professional to resort to Sloane Street stropiness, are snappily dressed in grey or black and are the personification of that Gallic adage, passed from mother to daughter: "I cannot afford to buy cheaply."

Westwood and I ascended the staircase from the relative commercialism of the boutique into the couture salons. Up there, the proportions widen, ceilings heighten and clues to trade lie hidden.

In Piette's office, I made the introductions, then handed the floor to Westwood, for this plucky, loquacious northerner was bound to present a convincing case. But she remained tongue-tied, nervously tugging her hem and running

her index finger along the corner of her mouth to remove imaginary saliva.

I donned the advocate's wig, but after 15 minutes it was clear that words would not suffice. I turned to the portfolio. Did he not recall Lacroix's great success with the mini-crinoline? He nodded.

And could he remember the date? Well, Westwood had pre-empted him by three seasons. And Lagerfeld's corsets for Chanel? Westwood had led the way three years earlier.

And so I continued, citing

Arnault will be unfettered by diplomatic constraints and will favour the most talented candidate

examples where Westwood led and others followed. Did he not recognise the template of original Dior in her current fashions? His head now bent attentively over the portfolio he suggested interest, but he was difficult to read.

Finally, I suggested that perhaps he would care to inspect some key pieces from the Westwood archives. He agreed and in doing so left the door ajar for future discussions.

The clothes were never sent to Dior, however, and I heard no more.

But Westwood recovered her voice: last month she approached Dior again to state her case. The status

she has now reached did not in fact require such soliciting - the directors of LVMH know she wants the job and that she was miffed over John Galiano's appointment to Givenchy.

What are her chances? Her talent, her whole-hearted belief in the couture métier and her deep-seated affection for the work of the house's founder are all indisputable assets.

But will her strident personality tolerate the strictures imposed? Would she pragmatically accept the mantle of Dior and design for the house's actual rather than imagined clients?

Perhaps such practicalities hardly matter, since the ready-to-wear task has already been assigned elsewhere. Arnault may feel that a headline-grabbing designer will more effectively promote the brand than time, well-mannered clothes.

Whether Westwood is capable of adapting and whether her business partner, Carlo da Mario, would permit her to share her time between her own collections and those for Dior is in the end of little import.

What matters is the symbolic importance of this appointment. The French will be tempted to appoint a compatriot, for they feel their culture is already under attack from outside influences.

French creativity in general is in a lull and even in clothing and textiles, their second most important industrial sector, the design momentum is coming from Japan, America, Italy and Britain.

It is rumoured that Gaultier was initially offered the post and declined, and it is debatable whether Lacroix would want to be shackled by the Dior image. During couture week, however, Westwood was seen dining in public with LVMH executives and she has been tireless in her self-promotion to secure the post.

Though many French opine that Arnault should select a judicious low-key French designer, he will be unfettered by diplomatic constraints and will favour the most talented candidate, whatever their nationality.

The next couture show in January marks the 50th anniversary of Dior, an event to be honoured by a retrospective of his work, scheduled to open on December 12 at the Metropolitan Museum in New York. The announcement of a new designer is imminent.

Jane Mulvagh is currently writing a biography of Vivienne Westwood, which will be published by Harper Collins next year.

The art of dress through the ages

Susanna Rustin takes a look at a new book on old clothes

The National Trust's assortment of old clothes has the random character of a grand old dressing-up box. Made by an eccentric enthusiast of amateur dramatics, the collection housed at Snowhill Manor in Gloucestershire is exactly that.

Handed down through generations or kept in storage, the fate of these fashionable relics was often left to chance. Another National Trust collection, housed at Killerton House in Devon, was rescued by an actress from a bonfire in Oxfordshire during the second world war. Many of the surviving garments were too fragile to be photographed for Jane Ashelford's book.

More substantial than the evolution of the hemline, the history of fashion is also that of shopping. Revealing such detail as the appearance of price tags in 1780, the story also highlights factors vital to the industry, such as transportation.

Correspondence and diaries provide valuable clues to the place of dress in the lives of our ancestors. Far from frivolity, dress was a matter of state and an essential marker of class.

When this book concludes, in 1914, it was becoming increasingly difficult to tell a

person's social standing by their dress. Four hundred years before this would have been unthinkable.

When Henry Howard, Earl of Surrey, was tried for high treason by Henry VIII in 1546, among the charges brought against him was that he wore a doublet and hose of purple silk and gold tissue, the prerogative of royalty. When Henry's daughter Queen Elizabeth I ascended the throne, the Tudor spin doctors came into their own. Elizabeth was more interested than anyone in the power of her image.

Legislation divided society into nine tiers, and defined exactly what fur, fabric and trimmings were allowed to each rank. Such laws were not always enforced.

In the 17th century the central aisle of St Paul's Cathedral functioned as an impromptu catwalk each morning. Called Fowles Walk, at the heart of the retail clothing district, this was the place to be seen. With the Restoration came the new vogue for wigs, documented by Samuel Pepys in 1668: "My coming in a periwig did not prove so strange to the world as I was feared it would, for I thought that all the church would presently have cast their eye all



Black velvet evening dress, c 1899, decorated with diamonds

upon me - but I found no such thing." This is also the story of European influences and political alliances - above all the Anglo-French rapport. As early as 1577 William Harrison complained of the "cuts and garish colours" brought across the Channel. In the years before the French revolution, young men who mimicked continental styles were labelled "macaronis" and ridiculed by satirists. A government

department called the Great Wardrobe flourished under the Stuarts, amassing spiralling debts under James I.

By the 18th century the fashionable had begun looking to the French court for inspiration. No longer the preserve of the aristocracy, fashion also moved away from the metropolitan centre. The English love of the country spawned its own styles, while at the opposite end of the spectrum, the English taste for the out-

landish was indulged by French hair styles.

Along with industrialisation, the greatest revolution of the 19th century was that finery became a feminine concern, with men eschewing foppish decoration in favour of plain suits.

As mass production meant that readymade goods became more widely available, so the points of dress became ever finer and marks of social distinction more than ever jealously preserved. The Victorians had frequent recourse to manuals, especially when confronted by the awesome task of mourning. Tight-laced corsets became the bane of the medical profession, loose clothing associated with loose morals.

It was in revolt against Victorian fashion that Viscountess Harberton founded the Rational Dress Society in the 1890s, to promote "health, comfort and beauty". The new woman of the 1890s exchanged the bustle for more masculine attire. By 1900 four of the 10 leading couture houses in Paris were run by women, while the House of Worth led the market in *fin de siècle* opulence.

The Art of Dress, by Jane Ashelford (National Trust), £29.95.



You have to have reached dizzy heights to own a watch like this from Garrard. About 40,000ft.

FLYING AT AN ALTITUDE OF ZERO FEET, YOU'LL SEE A SPECTACULAR DISPLAY OF BRILLIANT WATCHES AT OUR REGENT STREET STORE UNTIL THE 24TH AUGUST. THIS 18 CARAT GOLD CHRONOMETER IS PART OF THE MOST COMPREHENSIVE RANGE SEEN IN THE UNITED KINGDOM. SO FINDING ONE TO SUIT YOU IS NO FLIGHT OF FANCY.

GARRARD
THE CROWN JEWELLERS

112 Regent Street, London W1A 2AA. Tel: 0171 734 7030. The Garrard Boutique at The Dorchester, Park Lane London W1A 2JL

PROPERTY



A near-derelect building in Bermondsey St, SE1, has been transformed into an ideal space for work and home

At home in the office

Rosalind Russell meets a couple who have successfully combined their workspace and domestic life

A small boy growing up in north Essex, Mark Adams saw little of his father who left home early each day, not returning until late in the evening. Eventually, Adams senior took a flat in London to avoid the daily commute to the City from his country home.

It is a story echoed in thousands of home counties families, resigned to long and expensive commuting. "I vowed I would never do that," says Mark Adams. "It's a ridiculous way to operate your life." Now managing director of a company making ultra modern furniture, Adams and his textile designer wife, Jenny Moncur, live and work in the same building in Bermondsey. To Moncur, brought up on a farm in Hertfordshire, living and working in the

same place is natural. By the millennium, many more Britons are expected to be working from home. That may be the prediction, but in fact people are often reluctant to give up sociable office life for one of commuting with a computer.

According to a survey by the Henley Centre for Forecasting, 7 per cent already work full-time from home, with a further 5 per cent using a home office one or two days a week. It can be a lonely life in a boxroom-boardroom or distracting, operating from the dining room table. In either case, it is difficult to exclude the

atmosphere of domestic life. Moncur and Adams had an advantage in that they designed their home/work space from scratch. The Grade II listed building near the Tower of London was near-derelect when they bought it in 1987. Built in 1905 for the Time & Talents Guild, an organisation that found socially useful work for girls of leisure and education, it had been visited by Queen Elizabeth, now the Queen Mother, in 1950, and by Queen Juliana of the Netherlands.

Debutantes with a social conscience danced, sang, gave dramatic performances,

held craft classes and bazaars in the service of those less fortunate. They were also expected to read aloud and print verses from the New Testament for distribution.

The building's listing presented some problems during conversion to a home, studio and office. And there was the question of how much light could be introduced to allow Moncur to design tapestries and work them on a large loom. (Her designs in carpet and linoleum can be seen in the most design-conscious places: on the floor of the lobby of the FT, in the London boardroom of

Jardine's and on Janet Street-Porter's smother room floor.)

The couple also wanted to ensure that home did not intrude and encroach on work, and vice versa. The building had to serve as a gallery to exhibit Moncur's modern tapestries and textiles, and Adams' leather and steel furniture and shelving, which sells through Heal's and the Conran Shop.

The result is a carefully executed series of workspaces and domestic rooms, separated by differing ceiling heights and acoustic laminated glass screens.

They began by replacing the roof. When the original was removed, it became apparent the walls would need rebuilding, too. Although it did mean more expense than expected, it gave the opportunity to plan an environment which suited their requirements.

To persuade the people at English Heritage it could be done sympathetically, they visited Ambusson in France and noted how the tapestry workers fitted their looms into old buildings. The research paid off. Moncur's 19ft high studio is in what used to be an external dank stairwell, now lit naturally

via a glazed roof panel.

To prevent the house heating up like a greenhouse in summer, motorised blinds - like those used by the architect Sir Norman Foster - are operated by a switch on the wall. Handbuilt by a firm in High Wycombe, they cost less than £3,000. Their "commute" is a short walk along a chequerboard corridor from dining room to office and studio.

They have, however, decided to sell and move to a property on the Moncur farm. Although Grade II listed and built of wattle and daub, it will be transformed into another studio-cum-

home. The London property is being sold through Knight Frank for £380,000, a price more NW1 than SE1.

Bermondsey, initially unpromising, has proved a sound commercial choice. Its reputation for being the place to fence stolen antiques is being revised upwards. An air of semi-respectable antique-ism is developing. What was once house clearance is now architectural salvage.

The extended Jubilee Line, when completed, will stop there. Developers are beginning to build loft-style apartments in buildings which used to form part of the old leather and wool exchanges. Cluttons are selling a development called Tanners Yard in Bermondsey, some of which will include workplace studios with huge windows. Prices for those start at £150,000.

FRANCE

FRENCH RIVIERA - VENICE

2 to 3 bed villa apartments for sale within walking distance from the charming village of Venice. Magnificent sea views, swimming pools and international celebrities for neighbours combine to make these properties highly sought after. There are exclusive apartments for those who demand the highest in quality. Prices from £12.5 mil. Contact ABC International Tel: 00 35 93 247 039 Fax: 00 35 93 247 039

LONDON PROPERTY

CHESTERTONS

Coombe Hill: Kingston. New Exclusive private Development of 3 and 4 Bedroom Detached Homes from £227,000 to £410,000. Contact 0181 946 5052

WEEKEND FT

WORLDWIDE RESIDENTIAL PROPERTY SUPPLEMENT

21 September 1996

Whether you are a private vendor or an Estate Agent, seize this opportunity to advertise properties for sale or let to a quality readership of 1.2 million.

For properties in the UK and overseas capitalise in a marketplace of international homebuyers, tenants & investors in 160 countries by advertising in the Financial Times.

FT ADVERTISING RATES

\$15/lineage
(approx 5 words per line)

£39 per single column cm
mono display

£56 per single column cm
colour display

BOOKING DEADLINE

COLOUR: 4th Sept 96

MONO: 11th Sept 96

For further details please call

0171 873 4744

Please complete this form and return with your advertising copy and photographs if applicable to:

Carole Hills,
Residential Property Advertising,
Financial Times, One Southwark Bridge, London SE1 9HL
or Fax: 0171 873 3098.

I would like my enclosed advertisement to be inserted as:

Lineage ☐ Mono Display ☐ Colour Display ☐ *delete as applicable

Name:

Address:

Daytime Tel. No.

Payment (Cheques to be made payable to The Financial Times). All advertisements subject to VAT.

Cheque ☐ Access ☐ Visa ☐ Amex ☐ Please debit my credit card with £

Signature:

Card Number:

Expiry Date:

Expensive addresses

Prices appear unassailable in parts of London, says Rosalind Russell

It sounds deceptively modest. Number 43 Markham Street is an Edwardian terraced house with three bedrooms, a smallish kitchen and a 13ft garden. Parking space is not guaranteed outside its shiny, black front door. The cost, however, is a bold £225,000. By contrast, The Old Vicarage is a Grade I listed manor house with four reception rooms, seven bedrooms, stands in extensive walled gardens and has a detached coach house cottage. It costs £125,000 less.

The disparity occurs, of course, because Markham Street is in the heart of Chelsea, a short walk from Sloane Square, London SW3, and The Old Vicarage is in the village of Great Doddington, eight miles from Northampton and a long, long walk from Peter Jones, the department store.

The Old Vicarage is delightful, but Markham Street is the trophy home. Just as rich men collect beautiful wives to enhance their status, so they buy prestigious addresses to emboss upon their Christmas cards.

Markham Street and the surrounding area, as far as Upper Cheyne Row and Carlyle Square, include nobles, old-money rock stars and new money-makers among the residents.

For them, less is more; quality is a more urgent requirement than size. Others might balk at paying more than £5m for a house with just three bedrooms. In St Luke's Street, nearby, John D Wood is selling a four-bedroom terraced house at £575,000 - one of the bedrooms measures just 7ft 8in by 7ft 4in; another is 8ft 7in by 7ft 11in. But SW3 prices, it appears, are unassailable.

This is a very popular part of Chelsea," says John D Wood's Tim Le Blanc-Smith, in defence of the high price bracket. "And there is always a big demand for those houses."

"They are tucked away, quiet, pretty, close to the river and to the King's Road. People are prepared to pay a premium to live here."

Knight Frank had little difficulty in raising interest in 19 Cheyne Walk, a five-bedroom Georgian family



Cachet: 12 Guthrie St - small yard for £435,000; Hybador, Cornwall - £400,000, including vineyard



Disparity: 43 Markham St, Chelsea (left) is at £225,000, while The Old Vicarage is priced at £125,000

house in SW3, in spite of it costing £2.45m and there being only 57 years remaining on the lease. The prospective buyer is happy to pay for the privilege of having one of the best addresses in London and a prime view of the Albert Bridge and the Thames. Whatever befalls the rest of the property market, Chelsea remains a safe bet.

Further afield, the smarter reaches of Barnes - where £425,000 will buy a good address but few bedrooms and perhaps no off-street parking - and a few, select streets in Hampstead are still bankable. Both have a loyal following among actors who have made their name and their money. No.1 Hampstead Square is like a doll's house, Georgian, Grade II listed.

The five-bedroom house looks huge, but is only one room deep. It has a small walled garden but no garage - as EFR's Grant Alexson points out, there was not much call for them in 1721.

The price is £1,495m.

Buckinghamshire and Berkshire still spell money and prestige in property terms. Elegy House, Stoke Poges, Bucks, is the kind of address which should ring bells with anyone acquainted with poetry.

This former vicarage to St Giles Church in Stoke Poges, a Georgian castellated seven-bedroom house, is associated with Thomas Gray, the poet who is buried in the village. His "Elegy Written in a Country Churchyard" was, however, written more than 60 years before the house was built.

The Grade II listed property is only a few minutes' drive from Slough, also memorably, but less flatteringly immortalised in poetry by Sir John Betjeman.

Hamptons says the guide price is £725,000.

Keepers, two miles from Sunningdale, began life as a modest Norman Shaw Victorian cottage. It is now £1.5m six-bedroom house and has caught the eye of actor-director Kenneth Branagh, but his offer is subject to permission being granted to knock it down and rebuild.

The 24 acres of secluded gardens with a lake may hold more attraction than the billiards room and 40ft indoor pool.

Cornwall may not have the cachet of Chelsea, but the two do have some house prices in common. No.12 Guthrie Street, SW3, can offer three bedrooms and a small yard for £485,000.

In Fowey, £400,000 will buy Hybador, a Victorian dairy conversion with three bedrooms, cottage and a 15-acre, award-winning vineyard. Having one's own label on the Chardonnay must run a Chelsea address a pretty close second.

The Old Vicarage is for sale through Jackson-Stops 01604-32991; Hybador is for sale through Knight Frank in Exeter 01392-42311; John D Wood (Chelsea), 0171-352 1484; Hamptons (Maidenhead), 01628-22131.

EDUCATION

Through the clearing maze

A missed grade need not mean a missed university place. John Authers looks at who you can turn to for help in finding the right course among the thousands of vacancies

Every year when A-level results are published and show an overall improvement there is an acrimonious debate about whether the students have got better or the exams have got easier. This year is no exception as the pass rate has again increased, this time by 1.8 percentage points.

The next stage in the process is a wave of stories suggesting that the number of high grade passes has caught universities on the hop and admissions tutors are finding more candidates than expected have achieved the required or higher grades, reducing the opportunities for the less fortunate.

If you are one of the unlucky ones who just missed the required grades, this can only add to your distress. Unfortunately, reports to the contrary will not offer much relief. The Committee of Vice-Chancellors and Principals, the organising body for UK universities, says: "A 1.8 percentage point increase is more or less what you have come to expect and it will have been built in to universities' calculations."

Although the clearing system starts next week, places on the most popular courses will almost certainly have been filled. Many universities will also have oversubscribed on candidates. Any which are forced to take more students than there are places in popular courses such as English may cut back excess places on the less popular subjects such as physics and engineering. This should not pose too many prob-

lems because the least popular courses are usually under-subscribed.

The Universities and Colleges Admissions Service which controls clearing, has predicted "another smooth year". It says there are a total of about 290,000 places on offer with about 420,000 applicants (1.1 per cent fewer than in 1995). Last year, 41,000 places were offered through clearing, 14 per cent of the total.

If you need to apply through clearing, Ucas has plenty of advice. First, if you have only just missed the grades required for a university place, it is worth contacting the department concerned as it might still have a place on offer. If you did not make the grades for the first choice "CF" offer, you might be able to take up your insurance or "CI" offer.

If Ucas confirms either of these places, the commitment is binding. Applicants cannot reverse their choices. The one exception to this rule, however, is if the course offered by the institution is not a full degree course, for example, an HND course. In these circumstances, you are allowed to turn down the HND course if a more prestigious one can be found elsewhere. Ucas, however, says this strategy can



There will be more smiling faces than ever this year with an increase in A-level passes

be dangerous. All decisions on conditional offers must be sent to Ucas by August 24, so students should know the worst by August 27 or 28, post office strikes permitting.

Clearing entry forms have been available to those eligible since early July. Forms will also be sent to those who have become

eligible. In addition to the form, applicants must arm themselves with as much advice as possible. There are many free help lines (see below) to turn to, in addition to the county careers services and schools. University vacancies also will be advertised in the national press and on Ceefax.

Once you have found a univer-

sity you are interested in with places on offer, you have to phone it. If it is engaged, you have to try again, ready to quote its clearing number printed on the front of the clearing form. If the admissions tutor is interested in your application, they will ask to see the clearing form. The form must be the original and not a copy - Ucas wants to avoid

candidates conducting negotiations with more than one university at a time. If possible, the form should be delivered in person - this shows the university you mean business, gives you a chance to get a feel of the place, and if everything goes well even allows you the opportunity to sort out accommodation before you leave. It also avoids any delays, which could cost you a place.

The other scenario of course is that the university does not accept you. In this instance the clearing form is returned and the process starts again and can continue until the end of September, or until universities have filled their courses.

Re-sitting A-levels to improve grades might make sense. If so, there are plenty of tutorial colleges in the independent sector offering courses designed for re-sit students. Such courses are expensive, but are generally good value for money - classes are rarely larger than eight, tutors are highly skilled in covering the required work; and the typical routine of taking a mock exam each week is almost certain to improve your performance if you did not do yourself justice the first time around. However, tutors say they are

not in the business of improving the grades of those who performed up to their potential first time round, and will normally ask searching questions to determine this before accepting you on to the A-level course. Without an obvious reason for under-performance - lack of hard work during the two-year course, a protracted illness, or a serious bout of nerves on exam day - you may be advised against re-taking.

Students considering this path should check thoroughly the courses on offer. There are several different A-level boards and numerous different syllabuses for each subject.

Colleges generally have a limited number of re-take courses and boards have differing timetables, some requiring you to re-take in November and others in January. A visit to the colleges is also advised.

Those who do want to take this route will be pleased to know that discipline at the colleges is pleasantly relaxed - tutors know how motivated you are.

Useful numbers and addresses:
Ucas, Putney House, Jessop Avenue, Cheltenham, Gloucestershire GL50 3SE. 01232 327783
BBC Student Choice runs a free help-line: 0800-100900.
55.8 Capital FM radio in London also offers a nationwide "Call a Course" service, with advisers from the London Borough Careers Service: 0171-968 6000.
Gabbitts Educational Consultants offers advice services on tutorial colleges for re-sits: 0171-734 0161.

Action adventure after the As

There are ample opportunities for students in search of something extra to add to their curriculum vitae

If your A-level results were not quite what you hoped, you might just feel like leaving the country. But spending a year "treating water" without having secured the expected university place, can be a more positive action than it first seems.

Deferring entry has become steadily more popular over the past decade and some universities actively encourage it, wanting to take on the more mature students who have acquired some experience.

But the likelihood that universities will soon start charging fees for attendance strengthens the case for starting your course as soon as possible. This claim, however, can be overstated. A few of the largest and most prestigious universities might start levying fees in 1997. But the results of a commission of inquiry, chaired by Sir Ron Dear-

ing, are not due until next summer, so it is unlikely that many universities will start charging until 1998 at the earliest.

Sir Ron's committee is likely to recommend that the government provides subsidised loans to help pay the fees, theoretically making a student's university years less poverty-stricken. The loans would, of course, have to be repaid once the student started work.

So while the financial case against a year off is not strong, the case for deferring is supported by a growing number of companies involved in arranging exchanges.

Such exchanges were originally developed to fill the time left to students who had applied

for the old "seventh term" Oxbridge application exams, taken in the November after A-levels.

Now, the exchange is much more than a scheme to enable students to fill in a few spare months - it has become one of the few opportunities for real excitement and adventure before joining the real world. It is much harder to take "time off" once you have embarked upon the post-university career.

The programme of GAP Activity Projects, one of the longest established, outlines a number of possibilities. GAP offers place-

ments in 34 countries, generally lasting between six and nine months, including sheep-shearing in South America, teaching mountain-climbing in Australia and hospital work in Asia or the Middle East.

According to one volunteer who spent five months as a park ranger in the Chaguan National Park, in Paraguay, the experience can be more of an education than the first year of a degree course. "One wall provided all our water, one generator supplied intermittent electric-

ity and one food drop a month gave us the staples of our diet, which we supplemented through growing vegetables and bartering with the Guarani Indians, who occupy a parcel of land adjacent to the park," he says.

He spent his time cataloguing the flora and fauna of the rain forest, developed his Spanish, and learned to play the guitar. The student volunteers have to pay a fee of \$440 and meet the costs of flights and insurance. Companies meet the cost of food, accommodation and usually pocket money. The Council for International

Educational Exchange offers opportunities to study at universities overseas. Language courses include French at the University of Stendhal, Grenoble, and Spanish at Salamanca, Spain, or Guadalajara, Mexico.

Other courses combine languages with a particular field of study, for example, tropical biology and conservation in Costa Rica, or Judaism and the Holocaust in Poland. In the US, you can join first year undergraduate courses.

The cost of the courses varies: studying in the US, at either UCLA or UC Berkeley in California, will cost at least \$1,000, up to a maximum of \$2,200. Europe is cheaper; month-long French courses start at \$555, which

includes meals, accommodation and insurance.

A few months of alternative experience before university offers recruits a little extra, not to mention a point of conversation at interviews, and makes particularly good sense given the high number of degree graduates.

To quote one example, it is much easier to get a job as a senior accountant with a large City investment firm if your CV includes not only impeccable academic and professional credentials, but also "six months work on a pig-farming kibbutz".

John Authers
Gap Activity Projects, GAP House, 44 Queen's Road, Reading, Berkshire, RG1 4BB.
Council for International Educational Exchange, 53 Poland Street, London W1V 4JQ.
E-mail: info@ciee.org

LLB

IN LONDON, FULL-TIME, PART-TIME, OR AT HOME BY DISTANCE LEARNING



UNIVERSITY OF LONDON

LLB (Honours) Degree
For overseas students
Holborn fee: Discount before 31 Aug
Full-time £1,995 £250
Part-time £1,095 £100
Home-study £260 £40
Three year combined fee £4,135
Includes University of London registration and examination fees.

For further information, please contact:
The Registrar, Dept UK/FTL,
Holborn College,
200 Greyhound Road, London W14 9RY
Telephone: 0171 385 3377 Fax: 0171 381 3377

Holborn College, in conjunction with the University of Wolverhampton, offer an LLB (Honours) Degree.

● Academic excellence
Impressive pass rates.
Assessment by up-to-date methods:
course work 20%, unseen exams 80%.
Each year certified separately.

● Value for money
Fully inclusive fees: nothing more to pay
Discount for enrolment before 31 August:
Full-time £4,145 £200
Part-time £1,745 £75
Home-study £1,550 £40
All study materials included.
Special advance payment scheme: protects against inflation! Three year full-time combined fee £10,335
LEA Grant scheme: UK students can claim £890 and maintenance.
Midland Bank Loan Scheme (subject to status).

● Study at London's leading independent law school
Realistic entry: mature students always welcome.
Transfer from other Universities with advanced standing.
Degree-level entry reduces course length.
Diploma scheme enables you to take one subject at a time.
Comprehensive library with Lexis and IT facilities.

Other courses
Access courses
The Bar Examination Course
LLM Degree (University of Wolverhampton)
Diploma in Law
Diploma in Public Relations

MISSED YOUR GRADES?

LET GABBITAS TAKE THE WORRY OUT OF PLANNING YOUR FUTURE AND HELP YOU MAKE THE RIGHT DECISION WITH INDIVIDUAL, DETAILED AND FRIENDLY ADVICE FROM EXPERIENCED CONSULTANTS.

0171 734 0161

GABBITAS
EDUCATIONAL CONSULTANTS

Mon - Fri: 9.30 am - 5.30 pm
Sat: 10.00 am - 1.00 pm
Sun: 10.00 am - 5.00 pm (Sat. only) 2 - 5 pm
126 - 130 Regent Street, London W1R 6EE
Fax: 0171 437 1764

DEVONSHIRE HOUSE PREPARATORY SCHOOL

The School is for children from 3 to 13, and the Oak Tree Nursery takes children from 2½. For further information please contact the Admissions Secretary, 69 Fitzjohn's Avenue, Hampstead, London NW3 6PB. Tel: 0171-435 1916.

Business career skills
● 12 month business course
● Computer graphics, WP, spreadsheets, databases, internet & CD-ROM
● Options in Law, Finance, Marketing & Languages
● Professional career planning & initial work experience
● Selection of excellent student accommodation in Oxford
● St Albans College House Place Oxford OX1 1BB
01865 240083

Media management
● 9 month business course
● For a career in Marketing, Advertising, PR & Media
● 2 Year degree program
● LCCI/ICMA qualifications
● Further optional subjects
● Professional career planning & initial work experience
● Selection of excellent student accommodation in Oxford
● St Albans College House Place Oxford OX1 1BB
01865 240083

Bilingual PA skills
● 9 month business course
● Assistant Diploma course
● Specialist options in French, Italian, German, Spanish
● Practical work experience
● International placements
● Professional career planning & initial work experience
● Selection of excellent student accommodation in Oxford
● St Albans College House Place Oxford OX1 1BB
01865 240083

Re-takes: Why CCSS?

◆ Highly experienced teaching and support staff
◆ Individual revision and exam skills training
◆ Wide range of A level & GCSE re-take and one-year courses
◆ First rate accommodation in college houses
1 Salisbury Villas, Station Rd., Cambridge CB1 2JF
Tel: (01223) 316890 Fax: 358441

CIFE/ISJC/ISA

Cambridge Centre for Sixth-Form Studies

France and Spain

Semester and Gap Courses
Montpellier (France) and/or Berlin (Spain) courses from 479 per year

EuroLingua Institute
British France Germany Italy Spain
Tel/Fax (UK) 01260 271885
Tel/Fax (Fr) +33 67 25 18 92

IT'S A FACT

HUNDREDS NOW IN REWARDING COMPUTER JOBS

Combine a little spare time with CIL's Award Winning Learning System and you could join hundreds of people who've gained practical experience and are now enjoying high earning careers in software development - regardless of age, sex or qualifications.
Want to join them? Send the coupon below or call 01984 458521 for free information, career planner and details of your employment prospects.

SEND NOW FOR THE FACTS
CIL, FREEPOST, Dudley DY5 2BL

Mr/Ms/Ms/Ms/Ms/Ms
Tel: _____ Age: _____
Address: _____
Post Code: _____
Occupation: _____
Company: _____
Completed International Ltd. Inc. 1994

INTENSIVE FRENCH AND/OR ENGLISH SUMMER COURSES

● August to October (min. 3 weeks)
● Up to 10 courses: German, Spanish, Italian, Japanese, etc.
● Minimum age: 15 years old
● Possible accommodation at our boarding school, pensions or with families, etc.
Ecole Lemania, c/o de Pétrole, 1000 Lausanne, Tel: 010 41 21 320 15 01 - Fax: 010 41 21 312 67 08

Sels College London

RECOGNISED BY THE BRITISH COUNCIL, AEBL, ESC 1995
● English courses for foreign adult learners
● Accommodation arranged with families/hotels
● Situated in the heart of London, near the Royal Opera House
● Learn English the successful way in small classes
Principal: Y. Baker, BA (Ed), MEd, Director at-Large, FISA
64 LONG ACRE, COVENT GARDEN, LONDON WC2E 9JH
TEL: 0171 240 2551 FAX: 0171 579 5793

COLLINGHAM

A LEVELS & GCSE
1 & 2 YEAR COURSES WINTER RETAKES
LONDON Tel: 0171-244 7414
Fax: 0171-370 7312
OXFORD Tel: 01865 728 280
Fax: 01865-204 126
COLLINGHAM INDEPENDENT SIXTH FORM COLLEGES

The Independent 6th Form College of the North

GCE 'A' LEVEL AND GCSE
GCE 'A' LEVEL ONE TERM RETAKES
INTENSIVE 1 AND 2 YEAR COURSES
EASTER AND SUMMER REVISION
SMALL CLASSES (AVERAGE 4 STUDENTS)
HIGHLY QUALIFIED AND SUCCESSFUL TEACHERS
HELP AND ADVICE WITH UNIVERSITY APPLICATIONS
2 THE OVAL, HARRINGTON, NORTH YORKSHIRE HG2 8BA
TEL: 01423 501041 FAX: 01423 531110

GAP YEAR GUIDEBOOK

Peridot Press
2 BLANCKIN CRANT
LONDON W11 1NF
Tel: 0171-221 7404

Secondary School Exchange Scholarship to the USA and Canada

Not ready to start university just yet? But don't want to lose your academic skills completely? Then why not spend two or three terms at an American or Canadian private school exploring different subjects and experiencing a different culture?
Your tuition and board will be paid for.
If you are interested in applying, have good A level results and extra-curricular achievements to offer, contact the Awards
Manager at the
English-Speaking Union,
37 Charles Street,
London, W1X 8AB
or telephone
0171 493 3328
for further details.

How to make £30,000 a year

Freelance Writing
Study from home and make writing a new career or profitable second income.
Free 0800 371 500
MORRIS
COLLIER OF JOURNALISM

TOP 500 SCHOOLS

On Saturday 24th August, the Weekend FT proposes once again to publish the Top 500 Independent Schools league tables. Any school wishing to advertise in this feature should contact
Will Piper on
0171 873 4418,
or fax on 0171 873 3098

SPORT / MOTORING

Football

Money can't buy everything

John Perlman on the role of the youth system amid all the cash

If it wasn't evident before last Sunday's Charity Shield final, it must surely be plain as a red card in the face now. Even in the cash-crazed world of the Premiership, even with the gap between the game's rich and poor stretching as wide as the Grand Canyon, money still can't buy you everything in football. Pound notes may fall from the Sky, but trophies do not.

As the new season begins, fuelled by unprecedented pre-season spending, it might seem strange to laud the country's richest club as champions of the cottage-industry route to success. But Manchester United won the league and FA Cup double last season - and at Wembley against Newcastle signalled their intentions to match that - with a team increasingly built around a core of players nurtured through its youth system.

In the Charity Shield, five of the starting 11 who finished Newcastle off in the opening half-hour, grew up at Old Trafford. And one, David Beckham, responded brilliantly as Alex Ferguson reminded everyone of his immense managerial sharpness.

With the signing of Czech star Karel Poborsky and the Dutchman Jordi Cruyff, Beckham - who also plays wide - was the incumbent most under threat. Ferguson, by sticking closely to the line-up that won the FA Cup in May, sent his youngsters a clear message: "Show me how badly you want your place." Beckham showed him. He was the best player on the pitch.

All the ingredients of United's extraordinary achievements last season and their excellent prospects for this one have been painstakingly gathered and carefully mixed. They could not be bought for the £15m that Newcastle paid for Alan Shearer. They are not on sale at any price.

This is not an attempt to

join the "quick kick Shearer while he's down" queue. Newcastle's new No. 9 showed how pressure-proof he is with his six-goal haul in Euro 96, after 20 barren months in an England shirt when many had been clamouring for his replacement. He will bounce back, probably with another 30-goal haul. But will another big injection of Sir John Hall's money win Newcastle the Premiership?

If Kevin Keegan had spent the money buying England's versatile and mobile central defender Gareth Southgate and Germany's unshakable midfielder Dieter Ehlis, the man who rivalled Shearer as the star of Euro 96, then maybe. And he could have invested the change from the purchase in jacking up a youth system that has delivered just one player to the current first team, which has been assembled at a cost of £80m over the past four years.

Ehlis would not have gen-

erated the same pre-season revenue - with names on the back of souvenir shirts charged by the letter, he's a bad investment. But Newcastle lost a championship race they led by 18 points last season because the midfield, glorious going forward, offered a moderate defence no protection. New season, old problem, same outcome.

That leaves only one team with a real chance of stopping Manchester United, who must still fill the defensive hole left by departing skipper Steve Bruce. Many insist that Liverpool on their day played last season's best football. Fine and dandy, says manager Roy Evans, but we won nothing. This season's Liverpool, he vows, will have a steeper spine.

Evans' sole new signing, the Czech Patrik Berger, will add some pace and flair to the left side of midfield. And Anfield's youth system - which has already unearthed

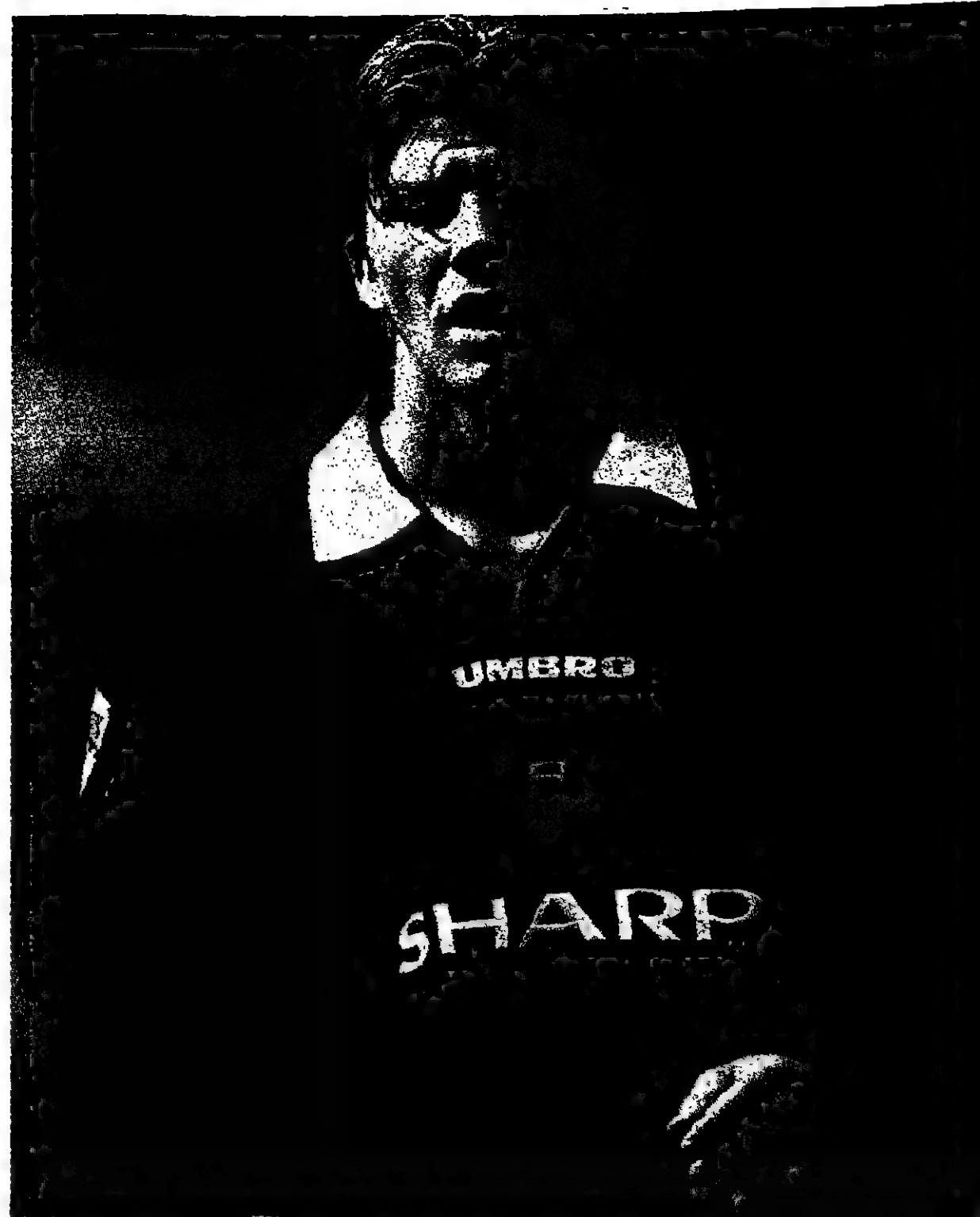
and polished gems such as Robbie Fowler and Steve McManaman - seems in good health. Liverpool won the FA Youth Cup last season for the first time in the club's history.

By the time Manchester United and Liverpool meet at Anfield on April 19, they could be out on their own, although Ferguson's insistence that the European Champions League is "the ultimate goal" may keep things tight for longer. But the Premiership this year looks like being, at best, another three-horse race. Aston Villa? The promise is there but the strikeforce looks too dependent on Dwight Yorke. Chelsea? For Ruud Geffert winning means a lot but not everything. His primary aim is to get his team playing the right way. Middlesbrough? Fabrizio Ravanelli and the Brazilian Juninho might score two on a good day, but who is going to stop the other team scoring three?

The performance of Ravanelli - signed from Juventus for £7.5m - and other costly imports will be the most significant watershed of the season's opening months. Amid the hype, Evans and others have cautioned that imports should not restrict the growth of young English footballers.

With many of the foreigners playing in attack - Gianluca Vialli at Chelsea and the Romanian Florin Radoiciu at West Ham, the tabloids by early winter will be well into the "how-much-have-they-cost" game. For my money, the most influential foreign signings could be Chelsea's Italian midfielder Roberto di Matteo and Georges Donis, a flying winger Blackburn Rovers picked up for free from Greek club Panathinaikos.

While some insist the influx is evidence of English football's health and not just its wealth, a more relevant yardstick might be to follow the fortunes of players such as Lee Bowyer, Ben



Best on the pitch: Manchester United's David Beckham has to show how badly he wants his place

Colapost



Karel Poborsky: part of Ferguson's careful mix

Colapost

Motor Racing

On track for a cash carve-up

Formula One is looking to football clubs for pointers on how to make money, says Keith Wheatley

Formula One is about to discover football. Not that Michael Schumacher's occasional paddock kickabout with the Ferrari mechanics is to be formalised into the F1 Premier Division. Rather that motor racing's financiers are beginning to see pointers in how Britain's top soccer clubs conduct their affairs.

Motor racing has always been seen as an expensive sport that consumes, rather than creates, wealth - except for a few superstar drivers. Teams are typically led by engineers - the anonymous Frank Williams of Williams-Renault and Ron Dennis of McLaren spring to mind - who employ marketing men of varying degrees of sophistication to raise sponsorship money to fund drivers and cars.

The sums involved are huge. To be the title sponsor of one of the Big Four teams, as Rothmans are with Williams or Marlboro with

McLaren, can cost the sponsor more than £30m a year in direct payments, with as much again spent on promoting the company's involvement.

These are just the deals brokered at boardroom-level. At the other end of the scale even respectable mid-rank teams use the services of commission-only "fixers" who might sell a company chairman a logo on the car and a brace of paddock passes for £50,000 with just hours to go before a grand prix.

"Undignified, unpredictable and unprofessional" is how one of the team bosses described the system of funding a competitive car and driver. He does not want

to spurn publicly the sponsors who keep his team afloat and provide drivers and employees with an enjoyable and lavish lifestyle - but he would rather not have to rely on them.

Apart from any other consideration, he knows that the tobacco firms are "last gasp" sponsors. Their ability to project their brands on television has been so curtailed by legislation that they are in Formula One for only one reason - it gets their advertising on television in front of a global audience. The anti-smoking lobby is growing in influence and the "ash-cash" may not be around much longer.

Two football clubs interest my friend in Formula One,

although he is not a soccer fan. One is Manchester United. That club's merchandising of itself as a brand is light years ahead of anything achieved in any sport outside the US: more than £20m profit in a single year, mainly from clothing and other licensed goods. Yet several Formula One teams have just as strong an international image.

The Formula One Constructors' Association recently signed a little-publicised agreement with Specialised Licensing Services SA, the powerful arm of the Disney Corporation that deals with product merchandising. Its director Jerome Archambaud was appalled by the retailing he saw at his first

visit to the European Grand Prix at Nürburgring earlier this year.

He found the shopping experience lousy and depressing but says changes are already under way to improve standards and market new products of better quality on behalf of the teams. In the long term, Archambaud plans to have F1 boutiques within shops such as Harrods and Polo Ralph Lauren.

Leeds United are the second and more interesting club. The Yorkshire team was taken over last month for £30m by Caspian, the small, publicly quoted media group. Chris Akers, the 31-year-old former City analyst running Caspian, did not

raise the money to buy Leeds because of childhood memories of Elland Road. He wanted a Premiership club because they are a finite breed (like F1 teams) with unique access to the money and marketing opportunities now pouring into top-level football.

So why not just float a Formula One team? Until recently the answer has been clear. No one except the most soft-hearted petrol-head fan would buy shares in a business that had no revenue beyond unpredictable handouts from sponsors.

This is about to change. Analysis shows there will be an explosion of income in Formula One and that the

competitors are going to have a bigger share of that than ever before. The secret Concorde agreement, which basically governs how F1 is carved up between Bernie Ecclestone, organisational supreme of Formula One, and the rest of the players, is under negotiation for the 1997-2001 period.

Having been revealed as having Britain's biggest corporate pay-packet (£45m a year in both 1993 and 1994), Ecclestone is being forced to concede a bigger slice to the teams. Since the cake is growing exponentially, the imperious Ecclestone should feel no pain in the back pocket.

New television deals with ITV in Britain, DF1 in Ger-

many and Canal-Plus in 70 other countries will shortly yield more than \$100m a year. The teams are poised to receive half of this. In addition, the income being generated as rights-holder to the races is now growing even faster. A track that wishes to hold a grand prix is looking at paying a fee of around \$8m a race. Multiply that by 16 races a season.

Ecclestone's public ambition is to turn F1 into a \$1bn-a-year industry by 2000. He has succeeded with most of his previous goals.

Suppose the teams are successful in negotiating a 50 per cent share of that total. Divided between a dozen teams, \$500m provides the revenue basis that could keep shareholders more than happy and give the teams a capital base they have only dreamt of, letting them wave goodbye to the tobacco barons. What chance the stock exchange seeing the first F1 company prospectus before the end of the 1997 season?

Motoring / Stuart Marshall

Three bargains, all with sophistication

You could call it a bargain motoring week. On Monday, I tried BMW's new 5-Series entry model; on Friday, the latest Hyundai Coupé; and I drove to both launches in a Seat Alhambra.

If a bargain-priced BMW sounds contradictory, bear with me. The 520i has an all-aluminium, 2.0-litre in-line six of BMW's legendary smoothness but weighing just half as much as the former cast iron engine.

Equipment includes ABS brakes and ASC+T, a sophisticated traction control system. Drive and front passengers have airbags protecting them from head-on and side impacts. There are electric windows, remote central locking with alarm and immobiliser, heated door mirrors and washer nozzles and a six-speaker radio/cassette player. List price is £22,950 (£23,550 from September 1), which means it costs 3 per cent less than a comparably equipped old model £20.

As the new 520i is a stunningly good car - more like a slightly smaller 7-Series replacement - the word bargain is justified because no executive car of similar quality and status comes cheaper.

Air conditioning and automatic transmission, which every year more business user-choosers wisely insist upon, are extras in the entry model 520i but the 520i SE, which will be the big seller in Britain, has air conditioning as standard. From September 1 the SE will cost £25,150 (manual) and £26,370 (automatic).

Nothing in this world is perfect but even a nit-picker would find it difficult to fault the new 520i. It rides like a limousine but has sports car agility, is handy in town and relaxed on motorways. Road, wind and mechanical noise levels are low; it seats four with room to spare, five without discomfort and has a big boot. Top speed is an irrelevant 137mph/220kph, and reaching 62mph/100kph from a standing start can take as little as 10.7 seconds. The real-world figure to remember is the 10.7 seconds it also takes to pick up from 50-75mph (80-120kph) in fourth gear which ensures rapid, safe overtaking.



Ideal for a family with two or three children: the Seat Alhambra

At the top end of the 5-Series range are the V8 engines 535i and 540i. The first two V6s - a 235-horsepower 524i and 286-horsepower 540i - I tried had manual gearboxes, which will be chosen by only a tiny minority in Britain, not least because automatic transmission is a no-cost option.

Another reason is that the five-speed automatic, used on all 5-Series cars, matches gear ratios to engine demand better than most drivers. Its effect on performance and economy is minimal.

□ □ □ Korean-made cars are expected to be cheap because they have always sold on price. The surprise is to find one as good as the new Hyundai Coupé.

Its competitors - BMW 318i, Honda Prelude 2.0i, Ford Probe 16V, Vauxhall Calibra 1.6 and Toyota Celica 1.8T - are listed at between £16,999 and £19,999. The standard Hyundai Coupé costs only £14,999 and the SE

model, even better value because air conditioning, leather seats, six-speaker CD player/radio and cruise control are standard, £16,499.

On Goodwood's former motor racing circuit the 2.0-litre Hyundai showed full-on handling at higher speeds than are usable on the highway. On the minor roads and motorways of West Sussex, it felt reassuringly solid, nimble on bends and more than adequately lively. Motorway cruising was unfussed, the driving

position excellent and I could have believed myself to have been at the wheel of any of the Hyundai's costlier rivals. Interior dimensions are better than the class average though still a bit cramped for tall people, but Koreans love golf so the boot is a sensible size.

□ □ □ Badging apart, the Seat Alhambra MPV (multi-purpose vehicle) is virtually the same as a Ford Galaxy or Volkswagen Sharan.

Interior trim varies but the only significant difference is the price. The 1.9-litre direct-injection turbo-diesel Alhambra, which I rate an ideal car for a family with two or three young children, costs £17,210 with standard air conditioning. This is about £1,000 cheaper than a mechanically identical Galaxy. The Alhambra is more enjoyable to drive or ride in than a typical 4x4 recreational on-off roadster, and its high seats give as good a view over hedges and cars in front.

No vehicle stands in greater need of air conditioning than an MPV, which has nearly as much glass as a small greenhouse and would get just as hot on a sunny day. The Alhambra is more enjoyable to drive or ride in than a typical 4x4 recreational on-off roadster, and its high seats give as good a view over hedges and cars in front.

The ride is softly shock absorbent, the steering and gearshift featherlight. Although its 90-horsepower output is modest, the engine pulls so hard at low speeds

that the Alhambra does not have to be rowed along with the gear lever. It cruises quietly on motorways and a sensible driver will have no difficulty in bettering 40mpg (7.06l/100km) on a journey. The vast load space has a concealing cover and power points for plugging in things such as electric cool boxes.

Low price, standard air conditioning and three-year unlimited mileage warranty give retained values and whole life running costs predicted to be better than those of any rival. The independent Fleet Audit's organisation forecasts 90.33 pence per mile over a three-year, 60,000-mile period for the TDI against 21.88 pence for the 2.0-litre petrol version.

The gap would, of course, be wider for families regularly using their Alhambra TDI for long holiday trips.

MOTORS

MERCEDES BENZ
NEW + USED
WORLDWIDE
EXPORT, FAX FOR
STOCKLIST
GERMANY
+49-6147-919085

مركز المأصل

TRAVEL

Peeling back layers of Greek history

Nigel Spivey says Thessaloniki has much to offer as Europe's next cultural capital

Thessaloniki may be an ancient place, but there are two dates in its more recent history that will haunt and attract its visitors. The first is 1917, when a great fire consumed about two-thirds of the city.

Much of the rebuilding of Thessaloniki was carried out on top of uncleared rubble, resulting in some odd disjunctions of floor levels here and there.

But appearances can be deceptive. Visitors may be surprised when peering into some of the city's ancient buildings - instead of finding, for example, musky frescoes in an antique Byzantine church they could find a bright, whitewashed interior.

The second date is 1948. Around 45,000 Jews were expelled from Thessaloniki that year, almost all of them to Auschwitz.

Again the landscape holds clues to the city's past. Some 30 synagogues were razed and the occupying troops desecrated the Jewish cemetery. The cemetery was extensive, for Thessaloniki had hosted a Sephardic Jewish community since the late 16th century.

Hardly 2,000 Jews survived the SS purge and most of their properties were occupied, with German encouragement, by Greeks.

One building commandeered by the SS as an office for their operations was a turn of the century Viennese-style property favoured by the Jewish bourgeoisie. The building is now the headquarters of the Organisation for the Cultural Capital of Europe and presents a striking contrast to its neighbouring tenements on the road running out to the airport.

One of the OCEE's aims is to celebrate the fact that Thessaloniki was once seen by many of its inhabitants as "the mother of Israel". As the Cultural Capital of Europe in 1997, Thessaloniki will witness much activity. Panos Theodorides, director of artistic events, will drive the activity from this elegant villa turned headquarters.

He is already the office's fourth incumbent and consequently is only just getting the city's series of events together.

The OCEE is well qualified for the job ahead - as one secretary pointed out to me, the organisation is one in

which secretaries have research degrees in the later works of Dickens, for example.

"We have the big ideas," she said. Her candour came as we emerged from a meeting with the Mayor, Konstantinos Kosmopoulos.

Kosmopoulos told me that the concept of a cultural capital originally came from Greece and was conceived by the late Melina Mercouri. Athens was the prototype. Twelve years on it is again Greece's turn.

Thessaloniki sees itself as much more than a European nexus

Thessaloniki briefly had to wrestle with the charming Neapoli in the Peloponnese, which also bid to become Europe's cultural capital. Kosmopoulos sports at the very thought of Neapoli in this role. In fact Thessaloniki grabbed the candidacy and a first instalment of central government funding - Dr14bn (£38m).

Thessaloniki's paragon in this role is not Athens - indeed it could be any port city which has used the cultural capital tag to adapt and revitalise its area. Kosmopoulos says Glasgow's permanent change of image is an example of what he wants Thessaloniki to achieve.

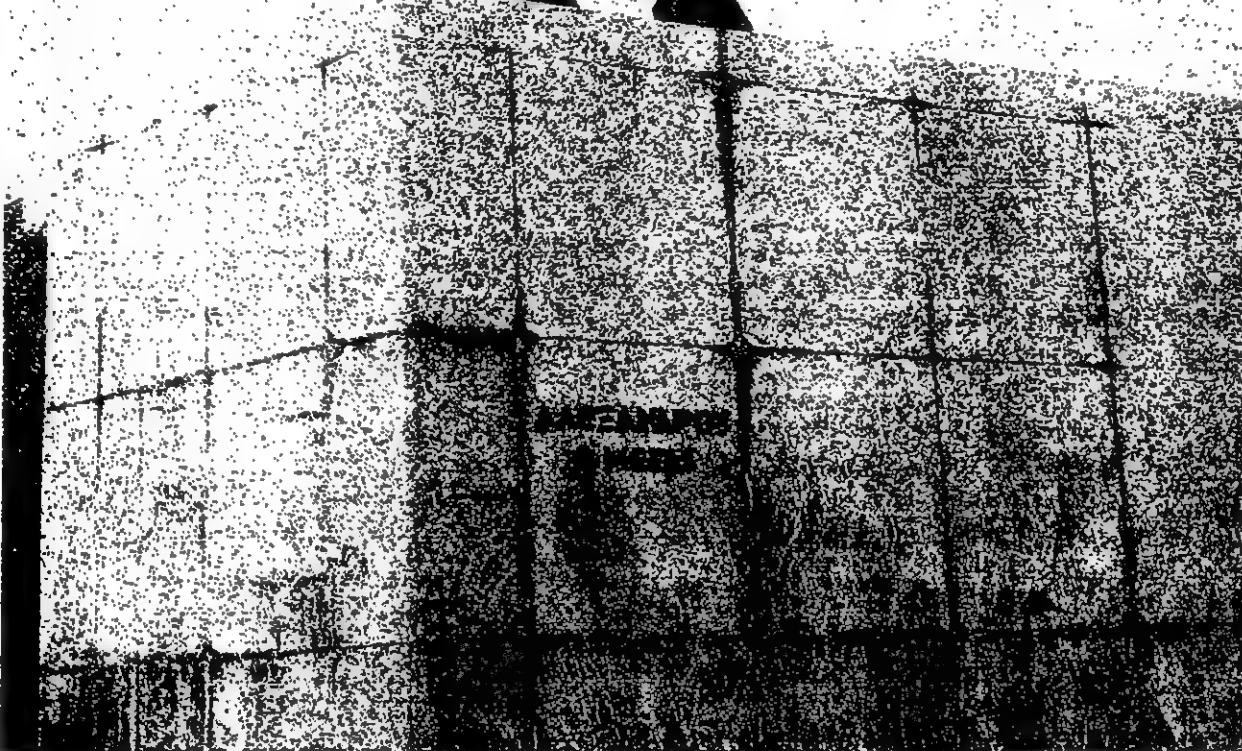
Thessaloniki has already shown this can be done. "Have you been to Myio?" I was asked by an official at the OCEE's headquarters.

"You must." He nodded at another secretary, named Photine (the shining one). "She will take you."

I was duly whisked off at 11pm when most Greeks begin to think about going out to a converted flour mill, a suburban micro-city.

The mill was throbbing. Young people were out in force - one part of the complex swayed to a rock band, while elsewhere, below multi-storey art galleries, teenagers mingled with parents, pensioners and toddlers in bars, restaurants and walkways. Myio seemed a triumph of inter-generational recreational space.

Many more public points of focus are planned for Thessaloniki, including



Alexander the Great, rising on his prancing steed, is a symbol not only of ethnic defiance but also aggression

museums of photography, cinema, modern art and industrial design. Indeed, to study the rhetoric of the city's programme for 1997 is to realise that Thessaloniki sees itself as much more than a European nexus.

The city was once a strategic link between eastern and western parts of the Roman empire. Now it acts more as a radial intersection, with signs in the city pointing to Bulgaria and elsewhere in the Balkans (sign-makers are wisely waiting for further instructions before they replace Yugoslavia with more specific destinations). At the Russian market, held every Wednesday around the Rotonda church, stall holders come from as far as the Black Sea to display their wares. (Now the biscuit tins on wheels which pass for cars in the former Soviet states make it so far is a mystery.)

Some of the goods on sale at the market look like they have come from an impromptu house clearance. But these are diaspora Greeks establishing themselves on the bottom rungs

of the market economy and one feels a duty to support them by buying a hacksaw blade, or little black bear. Greeks from abroad (from Australia to the Ukraine) are being encouraged to participate in the 1997 festival. Thessalonians are also expecting one or two Turks to arrive: this is, after all,

With flexible calf muscles, it is possible to cover most of the city on foot

the city where Atatürk was born. The birthplace is now a heavily guarded consulate and a little-visited museum.

The city has plenty to show off. Buses congregate around the newly excavated Roman marketplace, which will be open to the public next year. And the imperial palace of Galerius is already the spine of a shopping precinct. With flexible calf mus-

cles, it is possible to cover most of the city on foot.

As Thessaloniki rises steeply from its centre, a sense of the city's old structure returns. Much in these higher parts survived the 1917 fire.

Wandering the tangle of 60-degree sloping streets, you come across cobwebbed, wooden-gabled houses, relics of the last century. The houses have been purchased by the OCEE for restoration and conversion.

Byzantine churches can also be reached from this approach. One is St Nicholas Orphanos on Rodotou Street, cloistered by cypresses. Less easily traced is a little 7th century chapel of Hosios David. Lit only by candlelight, the chapel's apse mosaic is at first difficult to make out, but is all the more memorable for that. It shows Christ enthroned, flanked by two brilliant prophets. From outside, in the balcony yard, you may hear a hiss and purr - this will be a priest ironing his smocks.

But the really historic news about the city's plans for 1997 is that its Museum

of Byzantine Culture, by concession of the Double Holy Synaxis of the Holy Mountain, will host 600 treasures from the retreats of Mount Athos. To appreciate what a coup this represents, one has to be aware of the delicate relations between church and state in Greece.

The display of treasures may be no substitute for a pilgrimage to Athos, but for all those without access to beads, it will be the chance of a lifetime to see what orthodox denies them. It is also perhaps the most compelling of many good reasons to see in person how Thessaloniki fares as Europe's next cultural capital.

Nigel Spivey flew to Thessaloniki from Heathrow with Olympic Airways (tel: 0171-409 3400). The Organisation for the Cultural Capital of Europe is at 105 Vasilissis Olgas Avenue, Thessaloniki 546 43. Tel (00 30) 51 867860.

In last week's feature on white-water rafting on the Zambezi, the telephone number for Bales Worldwide Tours should have read: 01305-885391

Politics and culture for all to ponder

Alexander the Great. You get used to his noble profile ecstatically frowning on all sorts of objects, from medallions to match boxes.

On the broad cornice of Thessaloniki's sea-front, against the spires and thia of distant cranes, he rises on his prancing steed as a symbol not only of ethnic defiance, but aggression. And in the Archaeological Museum, one sees what is rarely repeated elsewhere in Greece: crowds of Greeks, not foreigners, getting animated at the displays. Here it is more than the astonishing finesse of the goldwork recovered from the Macedonian royal graves at Vergina which generates excitement. It is also the sense of proprietorial satisfaction.

The buzz, the tugged elbows, the pointing fingers, say it all - the golden myrtle wreaths and chests emblazoned with the dynastic star-burst are splendid relics, but more importantly they belong to us, they define our right to a name.

So how big is the Macedonia issue here?

I put this question to Athanasia, my guide, as we sped along the highway to Vergina. Her shrug was eloquent enough. She confirmed the impression I had already gathered: that Macedonia is a problem that excites Greeks everywhere except Thessaloniki. Being a scholar, she observed that "the other Macedonia" whose capital is Skopje enjoys a geographical overlap with ancient Macedonia. And she admits that ancient Macedonians were not ethnically identical with ancient Greeks.

"Philip II of Macedon conquered Greece. That's what I learned," I said. "Yes," said Athanasia. "But he schooled his son in classical Greek. The ancient Macedonians wanted to be Greek. You can see that all over. So it's a nuisance to us, that these Slavs take the name. They could at least call themselves 'North Macedonia', or something like that. But we don't stir it up here. Now there are buses of people from Skopje coming down to Thessaloniki every evening."

So much for that problem: an irritant to Thessalonians, a matter for martial action to Athenians, Corinthians and others.

We bowled into the red-roofed village of Vergina. Though she is a regular visitor here, spending her summers with the excavation team from Thessaloniki University, Athanasia was amazed at new developments. The area around Vergina was only settled in 1922, when thousands of Greeks quitted Anatolia after the disastrous attempted

invasion of Turkey. Then, refugee home-builders availed themselves of a stock of ready-cut stones that made up the walls of a ruined palace. Now, tons of concrete are being poured to accommodate the vast numbers of tourists expected to visit what remains of that palace, and its related antiquities.

We parked on the edge of an area designed to take several hundred Pullmans. "Pray God they put some flowers here," muttered Athanasia.

She took me up to the palace, where her guidance was indispensable to making sense of the layout of foundation walls and toppled columns. We then went below to a little theatre in the hillside. "Imagine it. King Philip was getting married - again. Olympias, his queen and Alexander's mother, was jealous of the new girl. Perhaps Alexander would be cut out of the succession. Philip has a party. With all the guests in the theatre, he brings in statues of the 12 gods, and then a 13th - himself. It's too much. A young man

rushes out from the audience and kills him. He runs for his horse, and stumbles. The king's guard immediately slabs the assassin to death."

We ponder the scene. The air is stringent with wild herbs. "A cover-up?" I ask. "There was always scandal in this royal house," says Athanasia. "But I think you British know how these royals behave."

The tombs are further on. Alexander's is not one of them: he lies somewhere in Egypt, his corpse hijacked en route to this site. But Athanasia follows Manolis Andronikos, Vergina's charismatic archaeologist, in believing that Philip's own grave can be identified. And we examine the new touristic setting for this tumult.

The rich horrific paraphernalia, and Philip's bones, are in the museum at Thessaloniki, where they will stay. Behind glass, the painted facade of Philip's tomb is faded, yet comprehensible. The king and his budding son can just be picked out, heroic in a lion hunt.

We returned outside to where the concrete mixers churned. "It's quite something," I said. "But will so many people come to see this?" Gazing over the asphalt, Athanasia gave one of her wise shrugs. "This is politics, not culture."

Nigel Spivey

Sweet memories and monkfish in Lisbon

Peter Aspden wallows in the past of Portugal's ancient capital

It is nearly midnight. I am starving and I am engaged in an elaborate game of bluff and counter-bluff with a woman who is telling me she can no longer carry on living. At least that is what it sounds like.

It is all very well, but my main course for the evening - an immaculately prepared monkfish dish - is in front of me, getting colder by the minute. But the woman is wringing out a *fado* song, full of loss, yearning, poverty. And while the woman sings, one does not eat. It is a sign of respect for her plight.

So I am trying to smuggle a morsel of fish into my mouth without her noticing. But every time I get near, she whirls around and fixes me with those coal-black, I-have-known-life's-sorrows eyes. I smile wanly, pretending to be waving my fork in time to the music. I decide to go hungry for a while. Finally, with a triumphant cry from the heart, she has

finished: "Ohh, *Lish-boooo-oo!*" I have about 30 seconds until the next song.

I had travelled to Lisbon in search of the meaning of a word: *saudade*. I had heard that it was one of those untranslatable terms which encapsulate a mood, one which existed beyond the Anglo-Saxon temperament. Rather than translate, everyone I talked to urged me to listen to *fado*. Sure enough, listen carefully to these exquisite lamentations and the word seems to appear in every other verse.

I visited backstage between acts to talk to Mario Pacheco, composer, guitarist and host of the João de Praca club. What was this thing *saudade*? A misty look came over his face. "It is when you remember things that perhaps you did not see, but heard about..."

"It is the taste of loss, but not sad. It is a sweet taste. It is like remembering an old girlfriend who you liked. She is not there any more, but it is a sweet memory."

"It is a very Portuguese word."

Mario sloped off to join his colleague Maria Armada for a fresh bout of heart wrenching. He accompanied the *fadista* on the Portuguese guitar - a close relative of the zither - with sublime facility. The contrast between its tight, bright sound and the deep, cracked tones of the singer gives *fado* its appeal. You can hear the sweetness and the sorrow at one and the same time.

The feeling of ambiguity permeates Portugal's aged capital. Half destroyed by an earthquake in 1755, the city has a dilapidated, melancholy air which distinguishes it from other European capitals. This is at its most obvious in the city's Alfama district, ostensibly the true home of *fado*, which survived the destruction.

Here is the heart of old Lisbon: crooked homes in winding alleys. Arrive here early in the morning and the bustle of *varinhas* (fishwives) and small café own-

ers setting up tiny tables outside their stores is enticing and irresistible. Soon, the smell of fresh sardines on the barbecue permeates every street corner. You simply have to succumb to a street-side lunch.

Take a post-prandial stroll westwards, however, and you could be in another city. The Baixa, or Lower City, is well-planned, clean, efficient and busy with business activity. Yet here too, there is a melancholy strain underlying the flurry; perhaps it is something to do with the view of the ocean through the Arco Monumental da Rua Augusta, a reminder of Portugal's grand past as a colonial power.

In the week I was there, the Rua Augusta was dominated by a massive cardboard cut-out of Marcello Mastroianni, advertising *Afirma Pereira*, Roberto Faenza's delightful film about Lisbon under the Salazar regime. But on the evidence of a near-empty house on the film's opening week-



The Alfama district, the true home of fado, forms the heart of old Lisbon

end, it seems present generations are little interested in the past. Perhaps there is too much introspection, too much *saudade* in the air for young people to revel in such uncomfortable examinations of recent history.

They are more likely to be found spending their evenings in the fashionable bars

of the Bairro Alto, the hill-top district that rises to the west of the Baixa. Here is sophisticated Lisbon, with prices to match. During the day, a favourite tourist sport in the area's Rua Dom Pedro V is shopping for *azulejos*, the fabulous ceramic tiles which can be found throughout the city.

Best value can be found in José de Oliveira's tiny workshop, where you can buy 18th century tiles, usually in blue floral motifs, for about 25 each. Here, you can talk about the past for as long as you like, though José does not seem to understand my fascination for these small pieces of history. "Why do

people get rid of these?" I ask and he replies, "because they are very old." Perhaps it is only the city's visitors that enjoy wallowing in its past; but I doubt it. Just listen to those songs.

Peter Aspden flew to Lisbon with The Magic of Portugal, 0181-741 1181, and stayed at the Hotel Tivoli Lisboa.

سكنى من الامم

Ghos

Nubula Woon

SPECIAL INTEREST

HIMALAYAN KING EXPEDITION

SEVEN SUMMIT

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

GOVERNMENT OF INDIA

MINISTRY OF TOURISM

BOOKS

Up against the bottom line

A.C. Grayling finds elegance and subversion in a collection of economists' writings

It is a mistake to think of economics as "the dismal science". This is partly, but very importantly, because economics is not a science - alas for mankind, which suffers mightily from the ministrations of those who think otherwise - and partly because there is nothing dismal about alchemy, of which economics is the modern version. Alchemy, you remember, is the enquiry after nostrums that will turn base metal to gold. Many economists would dispute this description of their calling; they would say their aim is to understand mechanisms of economic activity, not to prescribe them. But we, the public, know better. Economics is indeed prescriptive; it always has been; it seeks to instruct us how to get and increase wealth on both the small and large scales; and the descriptive parts of the great theories have always been mere prefaces to the real business of telling us how to do so.

Forty years ago Robert Heilbroner published his well-received and perennially enjoyed

The Worldly Philosophers, an account of the great economists and their theories. In this volume he offers annotated excerpts from their works to let them, as he ingeniously claims, "speak for themselves" - as if annotated excerpts could ever do such a thing. But because few people read the economists of the past, Heilbroner's aim is a worthy one, not least because ignorance of what the economists wrote allows them to be wildly misquoted, usually for political reasons.

Heilbroner takes us from the Bible to Schumpeter. The quotations from the Bible are few and obvious; they all dilate upon the evil both of riches and the getting of riches. Despite their unequivocal message Heilbroner

handles the most famous of them - "It is easier for a camel to pass through an eye of a needle than for a rich man to enter heaven" - in the usual comical way by hoping that the "eye of the needle" was a gate in Jerusalem's walls. There is a certain symmetry in beginning with Biblical attacks on the vanity of wealth and ending with Schumpeter's belief that capitalism must fail. It expresses Heilbroner's liberal instincts, originally shaped by Keynes in the 1930s. This prompts him to choose passages from the economic Olympians which will surprise readers by the degree of hostility they show towards economic dispensations that allow the accumulation of wealth in the hands of unproductive minorities, with the attendant risks of poverty, unemployment and

hardship for those who actually produce that wealth. But this enjoyable subversive intent is not Heilbroner's main aim, which is to encapsulate the

TEACHINGS FROM THE WORLDLY PHILOSOPHERS
by Robert Heilbroner
W.W. Norton £23, 353 pages

theories and demonstrate the most distinctive tenets of the great economists by offering representative selections from their works. His annotations are intended to provide context and clarification. This is a difficult task, because the least of what is required is an easy intimacy with the copious literature, and a facility for neat summary which goes

to the heart of the matter. Heilbroner makes a bold effort; but he does not entirely succeed. Students of economic history will find the excerpts and the annotations skimp, while the general reader - the main target of the book - will find that the annotations do not explain or contextualise enough, which diminishes the value of the excerpts themselves. The book is therefore a lost opportunity, because if Heilbroner had taken more care with his annotations the result could have been a very useful compilation.

Nevertheless the volume is far from uninteresting. The elegance and perceptiveness of Keynes, the surprising presence of the 18th-century merchant Robert Cantillon, the inspiring good sense of John Stuart Mill, are

successfully conveyed by Heilbroner's choice of passages and are a delight. The sceptical ironies of Thorstein Veblen, who disputed the economists' pretensions to be scientists and argued against their assumption of rationality in economic activity, provide a healthy corrective. And his prophecy that the administration of the business economy might one day fall into the hands of a "society of technicians" has almost come true, in the sense that the only ground for any decision these days seems to be what an accountant can make of the bottom line.

Among the many sobering thoughts encountered in Heilbroner's selections, the most sobering comes from Keynes. The money-making motive is useful, he wrote, because "dangerous

human proclivities can be canalised into comparatively harmless channels by the existence of opportunities for money-making and private wealth, which, if they cannot be satisfied in this way, may find their outlet in cruelty, the reckless pursuit of personal power and authority, and other forms of self-aggrandisement. It is better that a man should tyrannise over his bunk-balance than his fellow-citizens; and whilst the former is sometimes denounced as but a means to the latter, sometimes at least it is an alternative."

This remark illustrates one main reason why economics might never be a science. Any economic theory must be based on a theory of human nature. Such a theory is immensely hard to formulate. Four thousand years of literature and 2,000 of philosophy have only succeeded in revealing more of the difficulty in doing so. While the office-block of economics stands so precariously on such quicksands, one's hopes for it have to be modest.

Ingenious stones

Ann Geneva delves into the hidden secrets of Stonehenge

Now that Stonehenge, like the Tower of London, seems fated to become part of the Stonehenge Experience, it is all the more important to lay a bedrock of fact beneath the coming ersatz constructions. This mysterious petrified carousel rising dramatically from Salisbury plain has been hailed by countless film Druids and immortalised by Thomas Hardy's *Tess*. The Bath architect John Wood even laid out the Circus and Gay Street to mimic the Sarsen circle and avenue.

All too often, however, Stonehenge has inspired no more than fanciful speculation and wishful thinking. The medieval chronicles of Geoffrey of Monmouth recorded that the stones had been brought over the sea from Ireland by the magic of Merlin. It was not until James I that the monument was examined with any precision, when he asked Inigo Jones to investigate the history of Stonehenge.

North's concern is with the types of Neolithic monument that speak for the mind of the people responsible. Against the monolithic splendours of Egypt and Greece, he offers their "hidden qualities, and when those are found, the fact that they were concealed makes them all the more surprising".

From 15 years of research, North aligns the hundreds of prehistoric monuments found within two kilometres of the Stonehenge site with many others. All are marshalled to solve the paradoxes of Stonehenge. His detective work begins with the astronomical orientation of the much earlier long barrows, which he argues were positioned so that the brightest stars rose and set over them. The marvellous Uffington White Horse turns out to have been a Neolithic star marker, stationed to mark the rising of two of the constellation Taurus's brightest stars - and it may even be a bull.

It is fortunate that the millennium will be marked by this important book. By the time Pythagoras first used the term "cosmos" to mean order and harmony, Stonehenge had already stood for two millennia. North takes as a working model that Stonehenge was a "geometrically ordered monument aligned on the universe of stars, sun and moon". Such a claim, he acknowledges, is far easier to make than justify, but if anyone's judgment can be trusted on this topic, it is North's: his work has ranged from a study of Chaucer's astrolabe to an entire history of astronomy and cosmology.

North regards Stonehenge as a single monument which was modified over a period of some 2,000 years. Denying it was ever an observatory,

he finds the astronomical design much more ingenious than has previously been recognised. The stones, he insists, were not meant to aid investigation of the heavens, but rather "to embody those patterns, already known in broad outline, in a religious architecture". The classic period of Stonehenge's history stretched over a millennium and a half from around 3,000 BC, and in all of its stone phases the main concern at Stonehenge seems to have been with the sun and moon alone.

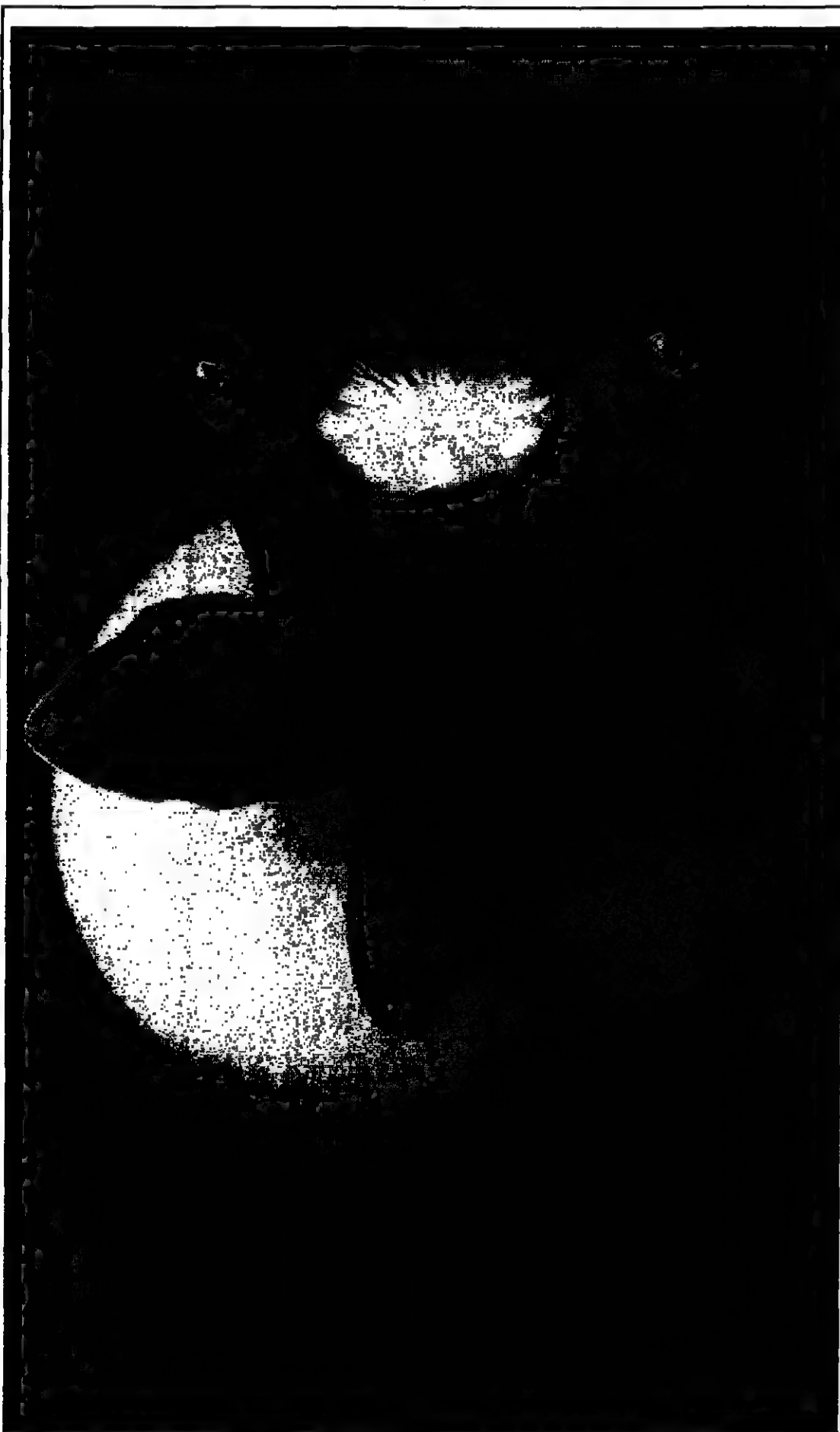
North destroys the time-honoured supposition that seen from the centre of Stonehenge the sun rises directly over the Heel Stone at midsummer. In its place he demonstrates that the Stonehenge axis is in the precise direction of the setting midwinter sun. The motive for it all, he argues, can only have been that the setting midwinter sun was to be seen by an observer standing at the Heel Stone and looking through an aperture in the middle of the

STONEHENGE: NEOLITHIC MAN AND THE COSMOS
by John North
HarperCollins £25, 609 pages

monument. North's fascinating discovery is that the Heel Stone was set up with a double function for observing two extreme positions - one of the sun and one of the moon. The Heels functioned as framing windows through which the sun or moon might be seen, as well as simple blocking devices to reduce glare and act as an artificial horizon.

North broadens this to conclude, "at every phase in the monument's long history certain aspects of its design were aligned on one or another solar or lunar extreme of rising or setting, although in the earliest phases attention was very probably given to certain stars". Although there can be little certainty about the monument's religious practices, the fact that the viewing position was designed for a single person may argue for an elite priesthood, in contrast to more egalitarian observation sites along the long barrows and viewing galleries connected to chalk figures.

No review could begin to do justice to North's complex reconstruction of the evidence and the wealth of archaeological, astronomical and mathematical structures which underpin it. This is a major contribution to understanding the origins of mathematical astronomy. Yet its very nature makes for tortured reading, and arguments and conclusions are often as lofty and scattered as the stars. Most earthlings will need to wait for the film.



'Orchid', 1967: the New York photographer Robert Mapplethorpe, best known for his controversial images of sado-masochistic and homoerotic sex, also made several close-up studies of flowers. Taken from 'Pistils', (Jonathan Cape, £50).

Rereadings/Jackie Wullschlager
Drawn back to Manderley

Why do modern novels have such feeble stories? Imprisoned "in the void of infinite possibilities", suggested W.H. Auden, "contemporary novelists have their greatest difficulties with their plots... their characters find it so much easier to stop to think than to go into action." Another reason is that our anything-goes society has made a nonsense of the idea of secrets, which were the bedrock of 19th-century fiction. In our sexually relaxed climate, nobody would believe the motives of shame and concealment which fuel Victorian plots, from *Jane Eyre* to *The Woman in White* to *Tess of the d'Urbervilles*. That makes a genre like Gothic an anachronism today. Mr Rochester could simply divorce the mad wife in the attic and live happily ever after...

Daphne du Maurier's *Rebecca* is the only 20th-century novel which I reread, year after year, for the pure, breathtaking thrill of its plot. The mix of sheer horror and Mills and Boon sweetness turns my blood hot and cold every time. But it is also the classic which I find most psychologically disturbing, because its brilliant plot works by cheating on a tradition.

Unlike her contemporaries, who accommodated modernism by jettisoning social respectability and with it melodrama, du Maurier revived the Gothic mansion, the secret in the west wing, the dashing hero with a dark past. But in 1938, the secret could no longer be sex - the only thing awful enough to hide was murder.

To sympathise with a killer is nothing new in literature - *Othello*, *Tess*. The difference is that du Maurier transposed the traditionally moral Gothic form into the amoral 1930s and created the first hero in fiction who literally gets away with murder - leaving us to rejoice that he does.

The tension of the tale depends on our complicity. Maxim de Winter's young second bride, arriving at his grand stately home, cannot shake off the presence of his first wife Rebecca. Half way through the book comes the revelation that he killed her, her body has been found, and the new wife must work out a way of saving him from the noose.

What stays in the mind is a series of terrifying images - which is why the Hitchcock film was so faithful to the book. The housekeeper Mrs Danvers, with her ice-cold hands, gloating at the top of the stairs as the second Mrs de Winter blindly enters the fancy dress ball wearing the same costume as her predecessor... The

vulgar backstairs villain Jack Favell siding up to the new wife with the faintest innuendo of blackmail... Most of all, the beautiful statuesque figure of Rebecca, never present but always vividly there, her name appearing every few pages while the living heroine remains - brilliantly - nameless throughout the book.

On rereading, these images are just as chilling, for the melodrama depends not only on what happens next - we know from Chapter 1's flash-forward that Max survives - but on the build-up of menace, which threatens us as we wish to protect the guilty pair. That menace is so powerful because it plays on primitive fears from myth and legend - Mrs Danvers is a great modern witch; Max de Winter a latter-day Bluebeard. These elements are profoundly unsettling because they evoke the fairy tale but deny its moral pattern, thus drawing us back repeatedly to try to work it out.

Rebecca is not a politically correct work. Max gets off because he is a smooth-talking aristocrat who knows how to flatter the local policeman. Feminism is out - the proposal scene ("I'm asking you to marry me, you little fool") could come straight out of Mills and Boon. A hint of lesbianism is allied to the devilish Mrs Danvers. Establishment values - loyal retainers, tea and crumpets on a silver tray by the library fire - make Manderley sound like a country club. Yet it is utterly intoxicating.

Rebecca is that rare hybrid, a popular classic: a novel which never appears on an exam syllabus or in a literary history but, read and reread over decades, nonetheless becomes part of common culture. While some classics are complex enough to offer new meanings to different generations, *Rebecca*, for instance, is now seen as pioneering feminism - *Rebecca* remains intransigently itself: an old-fashioned Gothic romance.

Vanity, greed and organised delusion

Targets have been chosen with relish in this fictional swipe at Tinseltown, writes Nigel Andrews

The scariest thing about *Popcorn*, Ben Elton's comic novel about Hollywood violence real and fictional, is the author's photograph on the back. A man in glasses, recognisable from TV stand-up shows, stares out at us with a smile of transfixed and anxious self-ingratiation. He could be a born-again car salesman or politician pleading for votes from a handbill.

Is Elton really this nervous about how we, or they in America, receive this ambitious swipe at overseas pop culture? He should relax. *Popcorn* is a touch evangelical, and there are some over-urgent messages about the abrogation of moral responsibility in an age of psychobabble, sociobabble, racism-habble and other forms of special pleading. "Nothing is anybody's fault," declares the author, in italics, as he exorcises the laying off of violent

deeds on upbringing, society, corrupted authority (even O.J. found a scapegoat in a racist cop, he says) and cinema.

But as lectures go, this one is refreshingly anti-PC. Elton has seen *Natural Born Killers*, *Pulp Fiction* and company and goes to town on them. His film-maker hero Bruce Delamitri - the Anglo-Italian name may suggest a real-life Hollywood original - is held hostage in his mansion the day after he becomes super-famous by winning a Best Director Oscar. The intruders are a gun-toting couple straight out of *ANB*, and as the media assemble on the front lawn Bruce faces the awful truth that his culture of bloodshed has brought this nemesis about.

Or so the usual anti-Tinseltown tract might want us to think. Elton, cleverly, has his cake, toys with it and then declines to swallow it. True, Bruce is an artist-op-

portunist who knows there is money as well as post-modern kudos in making fancy films about people being blown apart. Any-one who felt worried about the glee with which *Pulp*

POPcorn
by Ben Elton
Simon & Schuster 12.99,
298 pages

Fiction was greeted by everyone, including commentators who normally soapbox us silly about screen violence, will warm to Elton's pre-tension-probing barbs about "ironic juxtaposition" and "deconstructed narrative flow."

But if there is a catch-penny side to Bruce's auteur cinema, its supposed corrupting influence still does not add up to a papal pardon for every subhuman who goes about blowing holes in fellow citizens. Elton's two "Mall Murderers", clearly

based on the killers-in-love of *Natural Born Killers* and *True Romance*, are uncon-structed scum, wholly believable on the page even though born out of celluloid. Believable, at least, until the final chapters. Here Elton tries to wring one satirical ingenuity too many from the plot and the fabric makes that squeaky, tearing sound that says "Stop the mangler now." Not to spoil the plot, we will only suggest that even an ego case like Bruce would not hazard everyone's life for quite such a far-fetched face-saver as he devises.

Elsewhere, *Popcorn* is lithe and lethal and chooses its targets with precision and relish. TV anchor-persons, media moralists, models who turn "actresses", movie agents - all get the treatment. And there is a seriously funny scene about a bulimic's breaking which just about crystallises the entire novel's take on that showbiz troika of vanity, greed and organised delusion.

I hope the book sells

widely across Hollywood and America, where it is sorely needed. Two details, though, should be amended for future editions. First, no one is fêted nationwide after winning the Best Director Oscar; it would have to be the Best Film Oscar. Second, Americans will insist that a recurring solecism is put right on a subject dear to their hearts. The famous whisky is not "Jack Daniels", it is "Jack Daniel's".

BOOKS DELIVERED DIRECT

To order ANY book, FT Management Report or FT Newsletter currently available, please call +44 181 964 1251

or send a cheque to:
FT Bookshop, 29 Pall Mall Deposit,
Barbary Road, London W10 6BL.
Or fax your credit card details to: +44 181 964 1254.
E-mail bid@mail.bogo.co.uk
Delivery: Europe £1.50; Rest of World £7.50
FT BOOKSHOP

WHY NOT BE A WRITER?

As a freelance writer you can earn a good income writing the stories, articles, books, and scripts that editors and publishers need. Millions of pounds are paid annually in fees and royalties. Earning YOUR share can be fun, profitable and creatively fulfilling. Our comprehensive home-study Creative Writing Course gets you published. Earn while you learn. Expert tutors, personal guidance, help to sell your writing and much more! It's ideal for beginners. Full Refund Guarantee. Details FREE. Mail the coupon or ring our Freephone now.

THE WRITERS BUREAU
DEPT ANB
SEABOARD HOUSE
MANCHESTER M14 6NU
0800 262382 24 HOURS
FREE 0800 262382 24 HOURS

سكنا س الامل

ARTS

Summer music in America: Santa Fe 2 / David Murray

Thunderclap heralds the Rake

Santa Fe boasts not only an opera festival, but the occasional monsoon. Opera is performed a few miles north of town in a handsome shell, partly open to the air above and at either side. The festival is justly proud of its spectacular sunset view, straight through the stage to the mountainscape beyond; and as often as possible the initial stage-setting for each opera leaves a gap so that we can admire it. Bruno Schwenk's expert sets this year for Stravinsky's *The Rake's Progress*, however, were sealed and insulated against the view - but not the monsoon.

It began with pretty timing: the first great thunderclap coincided with the arrival of Nick Shadow, the Mephistopheles-figure, like a celestial warning. But the storm kept rumbling nearer, and despite Judith Christin's fine circus-pa-nache as Baba the Turk the meteorological action soon overwhelmed

Act 2. The string-players shrank back under the stage, itself swept by the torrential downpour. Though the drenched audience huddled in the less flooded areas to hear such shreds of music as might be discerned through the deluge, by Act 3 only about half of them were still hanging on.

The cast played on dauntlessly, and despite the interference we heard enough to be impressed. Kenneth Montgomery conducted in faithful style; if Act 3 missed something of its relentless grip, any grip at all deserved praise in the circumstances. Richard Croft sang and acted a sterling Rake - unerring sense for the musical shape of a phrase, faultless, intelligent diction that transcended the gap between American and English, an upstanding feckless persona. Tom Rakewells of this calibre rarely last long in their tenors' rep-

ertories: opera-houses with a *Rake* in mind should snap Croft up fast, before the role slips away from him.

Sylvia McNair's Anne Trulove and Richard Cowan's Shadow (whose Tim Curry grin outshone his boss authority) were good enough. Though McNair seemed to compensate too hard for her grown-up person with excessively girlish singing, I thought I heard her and Christin's Baba - through the storm - deliver their end-of-Act-2 "forgiveness" duet with poignant simplicity. Dale Travis's Trulove père and Joseph Geyer's "Mother Goose", the brothel-mistress, were better still, crumpling a bushel each of pipe character into their pint-pot roles.

Probably Anthony Lacura's elegant Auctioneer too - if the monsoon had not reduced him to passing squeaks. In true frontier spirit, the extensive re-building that the

Opera has commissioned for 1998 will seal the roof over, but leave the sides still open to the next sensational storm. As a jaded opera-goer, I welcome that; one longed intensely for another monsoon to put paid to Strauss's 1938 *Daphne*, though it never came.

For Daphne Carl Friedrich Oberle suppressed the real-life mountainscape (which would have served nicely) in favour of kitschy end-of-tern backdrops, with a square hole for exits and entrances. The wooden direction was by Rosamund Gilmore, and presumably the naff choreography for the festively sexy games too.

At 70 John Crosby, the festival's director, conducted the score with evident affection, but too little impetus when it was needed most. Janice Watson sang a lusty, forth-

right heroine, dressed as if for a high-school prom; nobody seemed to have suggested to her that Strauss composed his Daphne as a fey, androgynous creature, all too anxious to melt into a vegetarian background.

Santa Fe's *Don Giovanni* was a traditional affair - rare these days, and very welcome - and thoroughly professional. It looked good; it had a sharp, intelligent conductor in Richard Bradshaw, and a sound cast. Giovanni was the tall, athletic Dwayne Croft, brother of Richard, with a big voice to match. There was a practiced Leoporello from Kevin Langan, and a sturdily engaging Masetto from Herbert Perry. Stanford Olsen and Susan Chilcott sang a notably stylish Don Ottavio and Donna Elvira. One could have been in any major opera house - but then, of course, one would have missed the awe-inspiring view.

Orlando in high style

As part of the International festival at Edinburgh, Robert Wilson's staging of Virginia Woolf's *Orlando* with Miranda Richardson alone onstage at the Royal Lyceum for two hours and twenty minutes is, first and last, an exercise in style. The style is high androgyny placed not in a social context but in an uncharted void.



Miranda Richardson - her face looking, as white, sculpted and heartless as a medieval angel's, and so ravishingly lit that it seems the most haunting visage since Garbo's - deploys two octaves of voice, and talks us through Orlando's tale and perceptions with aristocratic aplomb. Almost all scenic and literal illustrations of the story have been excised. Little is left but Orlando himself/herself, but his/her spirit - harsh, arrogant, witty, sensual, cool, poignant - is so strikingly caught that the production becomes the vital, elegant, and serious positive to the dead, pretty and trivial negative that Sally Potter's decorative, superficial film of *Orlando* was, a couple of years ago.

It is an exercise in style, not in mere technique, and in that respect it makes



A face as white, sculpted and heartless as a medieval angel's: Miranda Richardson as Virginia Woolf's androgynous hero in Robert Wilson's staging

Woolf's voice as handsome and serious in its way as Wilson made Gertrude Stein's voice four years ago in *Doctor Faustus Lights the Lights*. But the stylisation of *Orlando* tips over at times

into camp - as when Richardson eyes the audience as she makes ironic remarks. And, though few artists today handle stage space and light with the austere and authoritative elegance

that Wilson always has, the elegance here is often pointless. One half of Wilson is a radical master and receives international attention as such; but the other and almost ignored half is a

camp-follower who makes grand, cool, handsome vehicles for the divas of our day (Jessye Norman, Sylvie Guillem, Isabelle Huppert). Miranda Richardson has been a major artist, and it

would be a grievous blow if *Orlando* tipped her over into becoming a mere diva, a handsome, authoritative, and hollow icon.

Alastair Macaulay

In search of harmony

Stephen Pettitt visits the Buenos Aires Philharmonic

The Buenos Aires Philharmonic Orchestra is to give a bridge-building concert at the Barbican in November, making its first visit to London as part of an extensive European tour, even though there is still a feeling of political fragility in Argentina. A recent change of local government in Buenos Aires has resulted in a change of director at the Colon Theatre, which in turn meant a sudden threat to those holding senior administrative posts there. Anxiety, manoeuvring and negotiation was in the air for most of the four days I spent with the orchestra.

However, if the authorities retain the services of the BAP's dynamic general manager, Pedro Pablo Garcia Caffi, the future looks bright for the orchestra. Caffi is a

battler, a former popular singer and flute player who was appointed in 1992, when the orchestra coded its operatic responsibilities at the Colon and devoted itself entirely to the concert repertoire.

That year it made its first European tour, the first Argentine orchestra to appear in such halls as the Concertgebouw. Another European tour followed in 1994 and the 1996 tour will establish the principal firmly.

Traditionally Latin orchestras are not considered to be among the most highly disciplined in the world. A few

hours before he was due to conduct the BAP's Costa Rican conductor John Nelson told me that "They have some really wonderful musicians, but they tend to play down to the lowest standard rather than up to the highest. And they tell me they leave their best to the concert. But I want their best at the last rehearsal." In the event, they played pretty well, like the RPO on a fairly average day. There were some glowing sounds from the woodwinds, in particular, and certainly the standard was above any Spanish orchestra I have heard in concert. But afterwards Nel-

son rued the fact that he was denied that last ounce of concentration in the dress rehearsal. Rough edges, especially in parts of Schumann's Piano Concerto, could have been ironed out then, he felt, and less left to chance on the night.

The shortcomings are not simply down to Latin temperament. The real reason is the conditions under which they are expected to work. For all but the final rehearsal, they rehearse in what can only be described as a claustrophobia-inducing windowless bunker, part of the Teatro Colon's labyrinthine, poorly designed 1970s

extensions. In such a box it is impossible to hear, to balance. And the Teatro Colon, wonderful opera house though it is, is far from being the ideal auditorium for a symphony orchestra.

Caffi is well aware of all of these problems. He is concerned that if the orchestra is to compete on the world stage, rehearsal conditions have to be improved. Investment has to be made in such things as percussion instruments, at present woefully inadequate. Yet one senses a real determination, an enthusiasm that can be seen in the demeanour of the players. Caffi has initiated

the engagement of the very finest soloists and conductors from overseas. The pianist in Schumann's concerto in Nelson's concert was Evgeny Kissin, no less, who also gave a solo recital in the course of his trip. Although the fee it took to persuade him to come was immense, Caffi is happy to find such sums because his philosophy is simply that if you work with the best you will eventually become the best.

But there is another vital ingredient missing: a first-rate music director. Argentina has no available, young, dynamic Bartle ready to call upon. Barenboim, its other famous son, inhabits a different musical planet. Luring someone of the necessary calibre to a place as out of the way as Buenos Aires on a semi-permanent basis is going to be difficult.

Three Promenade concerts

The Plague, horns and oboes

Three Prom premieres this week shared distinguished roots. Early in the 19th century, Weber discovered - and/or invented - orchestration in the modern sense. Before him, learning to write for an orchestra meant acquiring the knowledge to ensure that your purely "musical" structure would emerge with its main lines properly weighted, your tunes entrusted to the most suitable instruments, your climaxes rousing projected.

Weber enlisted orchestral colour as an independent musical factor. Berlioz capitalised on it radically, Wagner conservatively. The young Russian school - the "Mighty Handful", or Famous Five, for whom Berlioz had been a revelation - turned their folk-material

into gold with it; but eventually it was the younger Frenchmen (Debussy, Ravel), inspired by the new Russian music, who elevated colour and timbre to structural status. The Proms gave us three modern studies in the genre: Roberto Gerhard's *The Plague* (1964, an old BBC commission) and new wind concert by Oliver Knussen and John Woolrich.

Like much of Gerhard's music before his last years, *The Plague* can be heard trying to straddle two stools. It is a high-minded words-and-music pageant, after Camus' *La Peste* - a long way after, less ambiguous and worry-

ing than the original novel. Yet it is a striking piece; Gerhard's inspired ear for eerie colours, gritty or insinuating, got full scope in this allegorical plague-tale.

The strictly musical workings-out owe much to Schoenberg. Gerhard's one-time teacher, and sound relatively chilly and detached. With Michael Pennington as an urgent narrator, however, Edmon Colomer conducted the National Youth Orchestra of Spain to excellent purpose, with the BBC Singers and Symphony Chorus supplying the vocal components: all in all, a distinguished revival.

On Tuesday the Albert Hall was packed for Barry Tuckwell's farewell London appearance as a horn-player, with Esa-Pekka Salonen and the Philharmonia. He played not only a much-loved Mozart concerto, but the newish horn concerto written for him by Oliver Knussen. It was designed to be heard in Tokyo's Suntory Hall, where Tuckwell premiered it two years ago; the Royal Albert's acoustic must be very different, but the concerto still sounded magical.

It is distinctly a *fièvre* piece, with the solo horn winding its way through orchestral glades and

uncanny glimmers, and essentially lyrical. Tuckwell delivered this suggestive music with all his customary subtlety. It should make a fine bonus for other first-class soloists, a fascinating addition to a programme with a traditional horn concerto on it.

Wednesday brought the world premiere of an oboe concerto by John Woolrich, composed for and played by the superlative Nicholas Daniel. It is remarkably imposing; not what one expects of an oboe concerto - but Woolrich has devised remarkable means for it. The soloist is backed by three

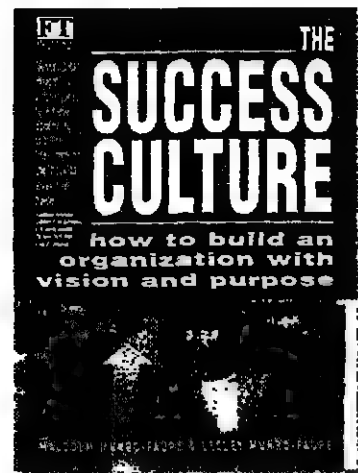
other oboes and a soprano sax, constantly shadowing and echoing him, and reinforcing his part when the large orchestra looms high.

In fact Woolrich uses his orchestra rather sparingly, though it includes a whole battery of quasi-industrial "percussion". The 20-odd minutes of the piece are measured out in sections, sharply distinguished by their diction and rhythms (often neo-Baroque); the result is utterly lucid, and dramatic beyond anything in the oboe's standard repertoire. At the end the oboe is left singing to itself for a long time, and then abruptly cut off by a single orchestral crash. It is a high watermark in Woolrich's ever-developing output.

D.M.

Make Achievement a Way of Life

Build an Organisation with Vision & Purpose



"A very clear insight into what it takes to achieve continuing success... I recommend this book as a very valuable guide."

- Cornelius Herkströter, Chairman of the Committee of Managing Directors, The Royal Dutch/Shell Group of Companies

"Critical success factors are hard to define and even harder to implement. I applaud this concise and accessible approach which helps us on our way."

- Bernard Fournier, Chief Executive Officer, Runk Xerox

How successful is your business?

Successful businesses create a winning environment. They understand what people want and they deliver.

The *Success Culture* gives you insights into how the world's foremost businesses have achieved their consistent record of success.

It includes:
General Electric, Toyota, Matsushita, Marks & Spencer, Motorola, Arthur Andersen, 3M and more.

Adapt their ideas to suit your business. Develop the essential building blocks to create a success culture.

Priced £25.00. Available from all good bookshops including Dillons, Books Etc., Waterstones and Blackwells, or direct from Pitman Publishing.

ORDER FORM

Please complete and return this form to:
Kim Whiting, Pitman Publishing,
FREEPOST, 128 Long Acre, WC2E 9BR, UK
or fax your order on (0171) 240 5771
or telephone on (0171) 447 2284

RISK FREE GUARANTEE
If you are not totally satisfied with this book, please return it in resalable condition within 21 days for a full refund.

Please send me
— copy/copies of **THE SUCCESS CULTURE**
at £25.00 each (0273 62199 8)

Postage and Packing
UK: Please add £3.00 per book
Elsewhere in Europe: Please add £5.00 for first book
and £3.00 per book thereafter
Rest of World: Please add £9.00 for first book
and £6.00 per book thereafter

Payment (please complete)

☐ I enclose a cheque payable to Pitman Publishing for (total) _____

☐ Please debit my Switch/Diners/AmEx/Access/Visa/Barclaycard/Mastercard for (total) _____

Card Number _____

Expiry Date _____ (For Switch payments only) Issue No. _____

Signature _____

Mr/Mrs/Miss/Ms Initials _____ Surname _____

Job title _____

Department _____

Company _____

Address _____

Town _____ County _____

Postcode _____ Tel _____

All prices quoted are in Sterling. Value Added Tax (VAT) 0% for the moment. Make sure you check the applicable VAT rate. Delivery is by air. We do not accept orders from outside the UK. Please allow 4-6 weeks for delivery. 123

ARTS



The Globe Theatre, which opens next week, has been recreated to play Shakespeare as he was 400 years ago - by daylight, in a roofless building, with food and drink sold to a restless, noisy audience.

Bare boards for the Bard

Shakespeare's Globe smacks of authenticity rather than gimmick, writes Martin Hoyle

An American visitor is incredulous. "People are actually going to stand here?" As Shakespeare's Globe, that aspirant recreation of the most famous theatre in our cultural history, prepares for its "prologue season", the cold truth is sinking in. This is no theme park. As the Globe's mentor, Professor Andrew Gurr of Reading University, puts it with some relish, the new Elizabethan playhouse will share "a peculiar theatre in peculiarly uncomfortable conditions with a couple of thousand others..." Another aperçu: "They had no toilets so we're not providing them either."

There are modern buildings just outside. "If you want to go to the toilet, leave the theatre - it's best if you know the play. The coming and going of the audience will be audible and visible." This is earnest, scholarly stuff: a quest to play Shakespeare as he was played 400 years ago - by daylight, in a roofless building, with food and drink sold as at a football match.

In Gurr's passion for authenticity you sense his disappointment as he concedes that women's parts will not be played by boys. There have been brisk exchanges

between academics and actors. Outsiders have been ready to keen a Greek chorus of doom. Peter Hall declared the onstage columns impracticable and in the wrong place. Julian Glover thought the stage too high. The scholars heatedly retorted that all was archaeologically correct.

Michael Holden, the Globe's chief executive, retired early from his theatre consultancy business to devote himself to the enterprise as a labour of love. The architectural and design firm, Pentagram, was drawn in by the late Theo Crosby, with a reputation as a writer and architect. Crosby and Sam Wanamaker, American actor and entrepreneur, the Globe's on-site begetter, made an improbable combination that worked. For Holden it summed up the difference between two cultures. "The Americans like to climb on board new ideas. The British like to climb on board - once those ideas are achieved."

Artistic director is Mark Rylance whose prestige as an actor has occasionally been tempered by critical catastrophes as a director. Rylance himself, for many a definitive Hamlet and Peter Pan is sweet-mannered and softly-spoken, but tenacious. He has already pro-

voked a scandal by asking critics to pay for their traditionally free seats. "Lillian Baylis demanded that critics pay at the Old Vic," he reminds us mildly. "If this offends you by all means accept two free tickets." He seems serenely untroubled by the challenge of spectators milling around, talking, eating, as visible to the players as to one another. "For the founder's day celebration we did a scene from *Hamlet* - no problems. There was coming and going at the edge, but we held people's attention."

The Globe's education director Patrick Spottiswoode presides over a growing treasure-trove of recorded readings of about 500 Tudor plays not by Shakespeare. "Staged readings are rehearsed at ten, on at three, with casts you would die for. We started with Timothy and Sam West and Prunella Scales." He is proud of a confabulation of plays on Henry VIII entitled *All is True* (Shakespeare's own subtitle) with Antony Sher and Barbara Jefford.

The education department sums up the mixture of popularising excitement and genuine research that underpins the whole enter-

prise. Disneyland it is not. Spottiswoode passionately endorses the idea of "non-scenic, non-lit theatre". Even new plays are a possibility in an enterprise that is emerging as more multi-layered and less hidebound - either as academic exercises or tourist gimmick - than academics might think. The summer season of afternoon plays by natural light will be complemented by evening performances with lighting. In winter the indoor auditorium of the new Inigo Jones will be used, reproducing in miniature the Globe's successor at Blackfriars. And yes, it must be admitted: there are seats in the Globe for the faint of heart and weary of limb.

Worries about a potential public for the Globe's purist activities are allayed by the education department's figures. "This year we'll have 35,000 doing classes, workshops, courses." There are projects with the Tower of London and the Museum of London. Schoolchildren are incorporated into street scenes, used as spies carrying letters in *Julius Caesar* - sponsored by the Post Office who would surely do better with *Romeo and Juliet*, where an efficient mail could ensure a happy ending and

send us home half an hour earlier. "In 1983 we had English, Dances, Germans and Poles in *Hamlet* workshops. Eleven festivals, each with five schools, 55 *Hamlets*, each with a 30-minute practical piece based on the text's work." Line plaster replaces smooth modern gypsum on the walls. The thatched roof is made from the special Norfolk reeds found in the excavations of the Rose (with sponge pipes in case of fire). Every baluster is hand-turned in the Elizabethan way - by a happy coincidence by Richard Burdidge Ltd of Oswestry, but no relation to Shakespeare's. "To bring scholars and carpenters and archaeologists and historians together has provided an enormous learning experience," says Professor Gurr.

And that is just the workforce. One suspects Mark Rylance is aiming for a similarly mixed audience. "During the performance I'll open the big gates on Bankside so people walking by can see in and walk up to the stage. If they don't like it they can go. All it costs is a five-a-round of drinks." I can't imagine the French or Germans being so laid back about their greatest cultural inheritance. Very English: very eve of Agincourt.

Television/Christopher Dunkley From print to screen

The question is, where is the spare time going to come from? I now have a strong desire to reread *Middlemarch* and as many of the *William* books as can still be found in what was the children's room. Then there is *Transpott* by Isabel Allende, and *Do Androids Dream Of Electronic Sheep*, the book from which, it seems, *Blade Runner* was made. After that I need to sample the work of Terry Pratchett, having never read anything of his, and any one of the last 52 books by Dick Francis since I have only ever read his first. Then, since I would like to know a lot more about Jonathan Swift, I need to track down a good biography.

All this results from previewing a set of programmes called *Summer Nights: Book Lovers* which begins today - well, technically tomorrow - at 2.00 in the morning. They run for two hours each night until Thursday and the idea is that you can set your VCR, catch them on tape, and then watch at your leisure. There is no new material here; most of it comes from *Bookworm*, the book series presented by Griff Rhys Jones, and from *The Late Show*, the BBC's art and culture series which was allowed to fizzle out and has never been replaced. This is not only a pity but a scandal, given the BBC's function as Britain's main public service broadcaster and its monopoly of licence fee money. If *The Late Show* formula was not working the answer was surely to try others, not to abandon daily coverage of the arts.

Watching Wednesday's *Summer Nights: Book Lovers* you are reminded of how good *The Late Show* could be at its best. Roger Parsons' programme about *Middlemarch*, made at the time of the BBC's celebrated adaptation, proves that although television may be a difficult place for the analysis and even description of literature, and not best suited to conveying the enthusiasm, often passion, that great books can arouse, it is not impossible. But you cannot approach the subject casually. Parsons lines up an amazing array of commentators and critics to analyse Eliot's novel and say why it is seen, these days, as being so good: David Lodge, A.S. Byatt, Claire Tomalin, Howard Jacobson, Terry Eagleton and Andrew Davies (who adapted the book for television so well). There is a moment when

Tomalin sets herself the task of explaining why *Middlemarch* is better than, say, a Barbara Cartland romance, suggesting that the Eliot book puts a finer grid on life, "makes much finer moral distinctions", and you realise sadly how rarely you hear matters discussed in such terms on television these days. It is scarcely the most high flown academic terminology, yet so overwhelming is the dominance of the ratings culture, so extensive the drive for populism, that even the small minority of programmes that used to talk in such terms, assuming a slightly higher level of intelligence and understanding than was needed for your average soap opera, are now withering away.

Bookworm would never tolerate such language. These programmes are not badly made of their sort, but the attitude behind every item is that books have to be smothered in syrup before any ordinary person can be expected to consume them. Thus we have Griff Rhys Jones peddling in the sea and pausing to dry his feet before going off to interview Mavis Cheek, or popping his head up from all parts of the screen while introducing another topic. There is plenty here to entertain. We see the contrasts between the working habits of P.D. James who reckons to be able to work pretty well anywhere, and who dictates her books onto tape for someone else to put onto paper, and Jeffrey Archer, who has to be sure that he has seven Tempus pens prepared for the next week's work before he can begin the day.

The investigation of the many adaptations, including John Mortimer and Denis Healey, who are still deeply fond of *William* serves as a useful memorandum for those of us who have not dipped in for a few years. The item on Irvine Welsh, explaining his perception that in Britain the "drugs of choice" have moved on from alcohol and tobacco to cocaine and heroin, does quite enough to make you want to sample his work. And the reminder of the complexity of Swift's private life arouses curiosity. Perhaps that is all these *Summer Nights* repeats are really intended to do: to prompt you to seek out a wider selection of books, and that would indeed be an admirable result. But that *Late Show* item on *Middlemarch* is a sorry reminder of what we are missing.

Theatre/Antony Thornecroft Murder most classic

The abolition of the death penalty dealt a mortal blow to the West End murder mystery. Where was the chill factor if the hero, or ideally, the heroine, did not arrive at the third act under the threat of the noose? Fortunately Frederick Knott's classic thriller of 1951 displays the genre at its absolute peak: well plotted, sensibly dialogued, and with the heroine framed to perfection. In a way it is too successful since it has been done to death by every Am. Dram. company in the land - and by Alfred Hitchcock in a celebrated movie version. Who can forget Grace Kelly's hand apparently reaching, thanks to 3D, out of the screen to clutch for the murderous scissors? So a current audience must enjoy the plot twists with the curse of pre-knowledge.

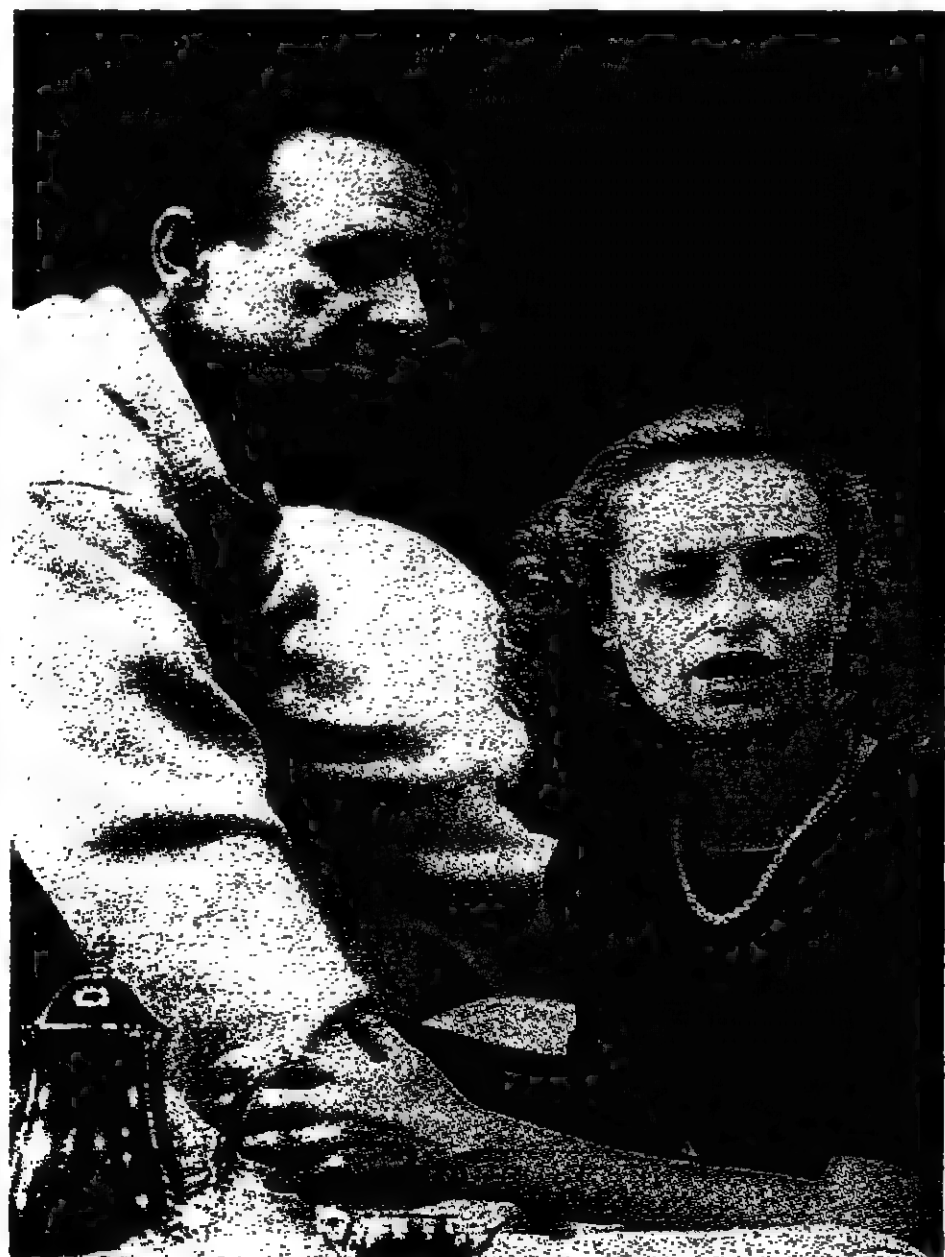
This West End revival has much to commend it. Thanks to sponsorship for the production from Mobil, the flat occupied by the Wendices must be the grandest in Maida Vale, the elaborate set coming complete with a painting by Bacon, although nothing in the life style of the superficially idyllic couple suggests such modernism. The acting, too, is on the better side of competence, with Peter Davison presenting two credible faces as the

scheming Tony, and Catherine Rabett suitably inhibited as the wife with a guilty secret. Knott well captures the middle-class world of the early 1950s, with demobbed officers down on their luck; women with the first stirrings of passion. The scenes in which Tony negotiates with his old public school chum Captain Lesgate (Peter Bourke - impressive) to undertake the murder could stand for the collapse of a class.

Equally strong performances from Brian Deacon as the faithful boyfriend and John Vine as the Inspector ensure good ensemble work in a play in which timing is everything. Peter Wilson directs the first act with commendable speed and the second with suitable tension. The third, with its tedious detective work, is always a problem but just about maintains the tempo.

The actors tend to conform to a pattern in type and accent, but that was the 1950s for you. *Dial M for Murder* shows its class by combining a tight plot with an incisive insight into a long-dead era. There should always be a place in the West End for a truly professional revival of an old favourite.

At the Apollo Theatre, W1.



Class act: Peter Davison and Catherine Rabett in 'Dial M for Murder'

Radio Tied to the USA

By a delicious coincidence, Radio 4's new series on *Being American* started on the evening when TV's *Newsnight* showed Michael Portillo being grilled by outraged constituents over the sale of his local Conservative HQ to McDonald's, to provide a fast-food drive-in in a leafy residential suburb. He looked singularly helpless, which about summed up Britain in the face of the transatlantic cultural colonisation which is now so pervasive that a whole generation is unaware of it. When media employees mispronounce British place names (our national poet hails from the Ay-youn, like the cosmetics firm), you realise that there is a general impression that Britain is the 51st state. De Gaulle was right to regard Britain as the Trojan horse of Americanism, though ironically it was France that fell to the ultimate shame: there is no Euro-Disney in Britain. But not, I suspect, for want of trying.

The curious love-hate relationship includes both a traditional English snootiness about what it loves to condemn as American brashness, vulgarity and lack of culture on the one hand; on the other, the so-called special relationship, which we cling to rather as the Scots cherish the Auld Alliance with France. Just as most Frenchmen have never heard of the Scottish connection, so Americans seem largely indifferent to their supposed British ties.

Being American should clear the air of European snobberies. It promises an emphasis on the positive side of America: the energy,

optimism, and generosity - not merely material generosity but liberality with time and resources and interest. The first programme quoted Ralph Waldo Emerson: "Nothing great is ever accomplished without enthusiasm." This may explain Britain's present state of mediocrity: we are terminally cynical. On the other hand, European cynicism has its virtues. On seeing the film *Brief Encounter*, the great Jean Renoir observed that it would have been impossible to make without the blitz. He added that Hollywood needed a few bombs dropped on it. The US has never suffered destruction and occupation. Long may its innocence last.

The new series plunged us straight into the epitome of the "You can make it - why not?" philosophy with a look at self-help organisations among the underprivileged. The children of Mexican workers in Texas are learning to talk to politicians, to leaders, to get things done for their disadvantaged communities, through associations like Valley Interfaith and larger bodies like Industrial Areas Foundation. No feather-bedding: the "iron rule" - never do for others

what they can do for themselves - applies. In countryside and inner city those traditionally at the bottom of the heap are being taught the obligations of good citizenship along with their rights. It has a faintly familiar ring: the best of Victorian philanthropy without the paternalism. Listeners expecting another catalogue of violence, deprivation and a crumbling state may have to wait. A first instalment, the programme was obviously the first place of a jigsaw; doubtless further details will both confirm and shatter our prejudices.

Watch out for *Patriotic Money* tomorrow (Radio 4) for more national insights. The first of a series on national attitudes towards currency examines our attachment to the pound, a unit that, *mutatis mutandis*, can be traced back to the age of King Arthur. Did you know our pilots in the Gulf War had gold sovereigns taped to their chests as negotiating counters if shot down? That a junior treasury minister had to write to the Sheikh of Kuwait and others to tell them the sterling area no longer existed? Sir John Knott recounts his shock at a chorus that should have been performed by the PM. Edward Heath. Another treasurable nugget: John Major "talking tough" on the exchange rate mechanism, his voice quivering with the same passionate sincerity as when he claimed that the thought of secret talks with the IRA turned his stomach, at a time when, it transpired, there were secret talks with the IRA. This England!

M.H.

INTERNATIONAL ARTS GUIDE

What's on in the principal cities

AMSTERDAM

EXHIBITION
Stedelijk Museum Tel: 31-20-5732911
● Cobra en het Stedelijk: exhibition of paintings and sculptures from the museum's collection by participants of the international art group CoBrA. The display spans the period from 1948 to 1962. Included in the exhibition are 17 works by Corneille that were donated to the museum by the artist last year; to Sep 15

BARCELONA

EXHIBITION
Museu Picasso Tel: 34-3-3196310
● Picasso and the Linocut: this exhibition features 69 linocuts from the collection of the Museu Picasso. Between 1954 and 1964 Picasso devoted great attention to the linocut. His merit lies in the innovation which brought about a substantial change in its procedure, permitting an easier register while shortening the time of execution; to Feb 1

BERLIN

THEATRE
Maxim Gorki Theater Tel: 49-30-202210
● Der Hauptmann von Köpenick: by Zuckmayer. Directed by Thelbach. The cast includes Till Weinheimer, Martin Engler and Harald Juhnke; 7.30pm; Aug 24

BONN

EXHIBITION
Kunstmuseum Bonn Tel: 49-228-776121
● Picasso - illustrierte Bücher: exhibition of books and book illustrations by Pablo Picasso. The 100 works on display give an overview of the artist's development in this field between 1911 and 1974; to Sep 22

BOSTON

CONCERT
Tanglewood Music Festival Tel: 1-617-2661482
● Boston Symphony Orchestra: with conductor André Previn and violinist Joshua Bell perform Mozart's overture to La Nozze di Figaro, Barber's Violin Concerto, Prokofiev's Symphony No. 2 and the Tanglewood Music Festival; 8.30pm; Aug 23

BRUSSELS

EXHIBITION
Palais des Beaux-Arts Tel: 32-2-5076466
● L'art en résistance. Peintres allemands de l'entre-deux-guerres: exhibition of works by German artists, created between the world wars. The display includes some 200 paintings and drawings by artists such as Max Beckmann, Otto Dix and Georges Grosz, giving an overview of German art in this period. The works come from the collection of Mevius and Janet Flaherty; to Sep 8

CAPE TOWN

DANCE
Arena Tel: 27-21-25470
● Junction: a choreography by Alfred Hinkel, performed by The New Maverick Jazz and Dance Troupe; Mon 8.30pm, Tue, Thu-Sat 8.15pm, Wed 1.30pm, Sat also 3pm; from Aug 23 to Sep 14 (Not Sun)

CHICAGO

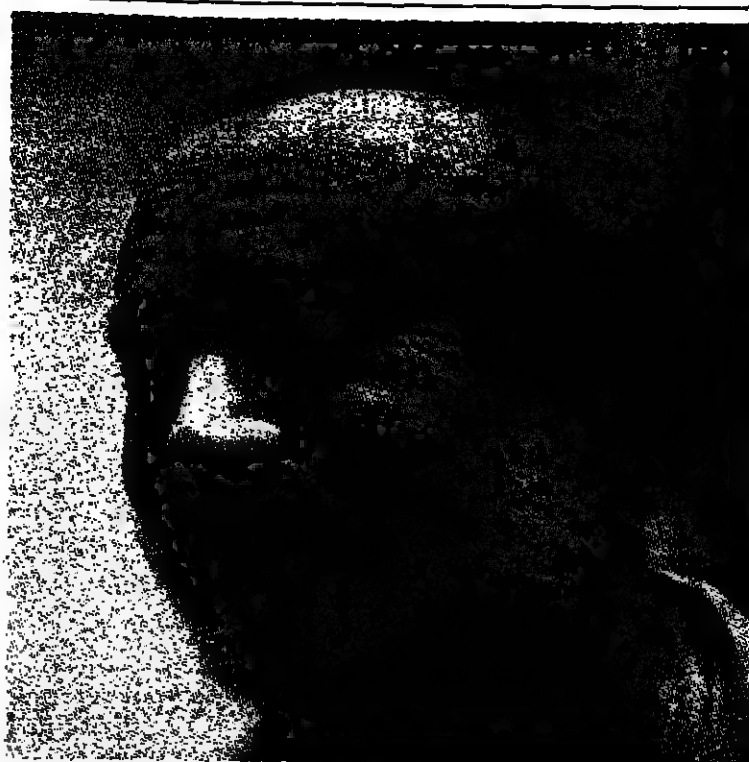
EXHIBITION
Art Institute of Chicago Tel: 1-312-4433800
● Splendors of Imperial China: Treasures from the National Palace Museum, Taipei: almost 400 works spanning four millennia have been selected for this exhibition from the collection of the National Palace Museum in Taipei. The display features nearly 100 paintings and calligraphic works, as well as more than 200 jade, bronzes, ceramics and other decorative arts, including many of the Tang, Song, and Yuan masterpieces of calligraphy and painting in the museum's collection; to Aug 25

CINCINNATI

EXHIBITION
Taft Museum Tel: 1-513-241-0343
● The Glory of Russia: Five Centuries of Treasures: assembled from several private collections, this overview of Russian art includes icons, oil paintings, works on paper, furniture and decorative arts objects, dating from the 15th century through the early 20th century, when the Bolshevik Revolution changed Russia's system of art patronage and closed most access to Russian art for foreign collectors. Among the works on display is a selection of carved animals and flowers, figurines, presentation pieces, and jewelled wares from the firm of Peter Carl Fabergé (1846-1920); to Aug 18

COPENHAGEN

CONCERT
Thiol Concert Hall Tel: 45-33 15



Conductor Kurt Masur, on tour with the New York Philharmonic. See Edinburgh

10.01
● Kathleen Battle: recital by the soprano. The programme includes works by Handel, Wolf, Liszt, R. Strauss and Granados; 7.30pm; Aug 23

DETROIT

EXHIBITION
The Detroit Institute of Arts Tel: 1-313-833-7363
● The Car and the Camera: The Detroit School of Automotive Photography; this exhibition celebrating the centennial year of automotive manufacturing features the work of Detroit car photographers such as Walter Farynk, Vern Hammarlund, James Northmore, Mickey McGuire, Guy Morrison and others; to Nov 24

DUSSELDORF

CONCERT
Rheinische Philharmonie Tel: 49-211-8995205
● The Three Tenors: performance by José Carreras, Plácido Domingo and Luciano Pavarotti, accompanied by the Philharmonia Orchestra with conductor James Levine. This concert is a part of the World Tour of The Three Tenors; 8.30pm; Aug 24

EDINBURGH

CONCERT
Leith Hall Tel: 44-181-2281155
● New York Philharmonic: with conductor Kurt Masur perform Prokofiev's Romeo and Juliet Suite and Tchaikovsky's Symphony No. 5 in E minor. Part of the Edinburgh International Festival; 8pm; Aug 18

FRANKFURT

EXHIBITION
Schirn Kunsthalle Tel: 49-69-2998820
● Lucio Fontana: a major retrospective exhibition featuring the work of the Italian artist Lucio Fontana (1899-1988). The exhibition includes close to 200 works selected from museums and private collections throughout the world. Following recent research in Argentina, where Fontana was born, previously unknown works from Argentinian sources are shown for the first time; to Sep 1

HAMBURG

CONCERT
Musiktheater Hamburg Tel: 49-40-348220
● Plácido Domingo and Alinhos Arteta: the tenor and soprano perform duets and arias, accompanied by the Hamburger Symphoniker with conductor Eugene Kohn. Part of the Hamburger Opernwöchle; 8pm; Aug 20

HELSINKI

FESTIVAL
Helsingin Juhlaviikko - Helsinki Festival Tel: 358-0-135422
● Helsinki Festival: international festival featuring classical and contemporary music, drama, theatre, visual arts, films, jazz, pop, rock, ethnic music and literary readings. At the heart of the festival, under the artistic direction of conductor Esa-Pekka Salonen, is the Festival Club Huvi, an unconventional arena for concerts and other performances. About 20 local restaurants and pubs will take part in the project "Art goes Kapaleka", offering special menus and giving

lunchtime and evening concerts, dance events and other performances during the festival. Highlights include the traditional Night of the Arts (Aug 29); from Aug 21 to Sep 1

HOUSTON

EXHIBITION
The Menil Collection Tel: 1-713-525-9400
● Georges Rouault: exhibition of works by Georges Rouault including 75 paintings, works on paper, and objects drawn primarily from The Menil Collection holdings. The religious painter Georges Rouault (1871-1958) was a Roman Catholic who reacted against pompous academicism and developed his own style - a combination of expressionism and refined primitivism harking back to the early Middle Ages, stained glass techniques and Oriental brush painting; to Aug 18

INDIANAPOLIS

EXHIBITION
Indianapolis Museum of Art Tel: 1-317-923-1331
● Egypt in Africa: more than 80 art objects and artifacts are included in this exhibition exploring the African nature of ancient Egypt. Relationships explored include the use of headdresses and masks, the manner in which works of art portray humans, the symbolism of animals, ancestor worship and divine kingship, tattooing and scarification, and mother and child figures; from Aug 24 to Nov 24

LONDON

CONCERT
Royal Albert Hall Tel: 44-171-5898212
● New York Philharmonic: with conductor Kurt Masur and violinist Anne-Sophie Mutter perform Brahms' Violin Concerto in D major and excerpts from Prokofiev's Romeo and Juliet. Part of the BBC Henry Wood Promenade Concerts; 7.30pm; Aug 21

LOS ANGELES

EXHIBITION
The J. Paul Getty Museum Tel: 1-310-456-7611
● Illuminating the Mind's Eye: Memory and Medieval Book Arts: an exhibition of European manuscripts exploring the relationship between book decoration and memory in the later Middle Ages. These manuscripts include books of psalms, private prayer books and bestsellers. Among them are exemplary works of the 15th century by such northern European artists as the Master of the Dresden Prayer Book and the Coburg Master; to Oct 6

LUBBECK

CONCERT
Musik- und Kongresshalle Tel: 49-451-7904115
● New York Philharmonic: with conductor Kurt Masur and hornists Philip Myers, Allen Spanier, Erik Rakele and Howard Hall perform R. Schumann's Konzertstück and Bruckner's Symphony No. 4. Part of the Schleswig-Holstein Music Festival; 8pm; Aug 23

LUCERNE

CONCERT
Jesuitenkirche Tel: 41-41-2103592
● Mass in B minor: by J.S. Bach. Performed by the Akademie für Alte Musik Berlin and the RIAS-Kammerchor with conductor Marcus Creed. Soloists include Ruth Ziesak, Andreas Scholl, Hans Peter Blochwitz and Johannes Manov. Part of the Internationale

Musikfestwochen Luzern; 7.30pm; Aug 18

MADRID

EXHIBITION
Fundación Colección Thyssen-Bornemisza Tel: 34-1-4203944
● From Canaletto to Kandinsky: master pieces from the Carmen Thyssen-Bornemisza Collection: this exhibition features a selection of about 80 works from the Baroness's private collection. The display includes works by artists such as Toulouse-Lautrec, Monet, Sisley, William Bradford, Maurice Prendergast, Manuel Cabral and Raimundo de Madrazo; to Sep 8

MIAMI

EXHIBITION
Center for the Fine Arts Tel: 1-305-375-3000
● Dream Collection: The Human Figure: the first exhibition of the Dream Collection series features about 20 paintings and sculptures. Among the international array of artists presented are Jim Dine, Jean Dubuffet, Willem de Kooning, Miró, Picasso and Rufino Tamayo; to Oct 13

MONTREAL

EXHIBITION
Musée des Beaux-Arts de Montréal Tel: 1-514-285-1600
● René Magritte: major exhibition devoted to the work of this Belgian Surrealist. The display includes close to 100 items from public and private collections in Europe and North America. As well as paintings and drawings, the show features sculptures, objects, photographs, posters and illustrations; to Oct 27

NEW YORK

CONCERT
Avery Fisher Hall Tel: 1-212-875-6030
● Mostly Mozart Festival Orchestra: with conductor Gerard Schwarz, pianist Helene Grimaud and violinist Gil Shofman perform works by Haydn, R. Schumann and Mozart. Part of the Mostly Mozart Festival; 8pm; Aug 22

OSLO

EXHIBITION
Museum of Modern Art, New York Tel: 1-212-708-9400
● Picasso and Portraiture: Representation and Transformation: exhibition surveying the portrait work of Pablo Picasso (1881-1973). Beginning with early studies from the artist's years in Barcelona, the exhibition moves through Picasso's life via intimate portraits of his family, lovers and friends, including his childhood friend and later secretary Jaime Sabartes, the poet Max Jacob, Picasso's first great love Fernande Olivier, Olga Picasso, the artist's wife in the 1920s, and his last wife, Jacqueline. The display comprises more than 130 paintings, about 100 drawings and prints, and one sculpture; to Sep 17

OTTAWA

EXHIBITION
Museum of Modern Art, Ottawa Tel: 1-613-960-1895
● Corot: major retrospective featuring some 135 works by the French 19th century landscape painter Jean Baptiste Corot and commemorating his birth in 1796. The exhibition is organized by the Musée du Louvre, the National Gallery of Canada and the Metropolitan Museum of Art; to Sep 22

PARIS

EXHIBITION
Musée d'Art Moderne de la Ville de Paris Tel: 33-1-53 67 40 00
● Calder: exhibition devoted to the American artist Alexander Calder who worked in Paris for more than 30 years. The display, organised in collaboration with the Louisiana Museum, features more than 140 works; to Oct 6

PHILADELPHIA

EXHIBITION
Philadelphia Museum of Art Tel: 1-215-763-8100
● Cézanne: an international loan exhibition spanning the career of Paul Cézanne (1839-1906), organised by the Philadelphia Museum of Art in collaboration with the Réunion des Musées Nationaux/Musée d'Orsay in Paris and the Tate Gallery in London. The display includes some 100 oil paintings, 35 watercolours and 35 drawings from public and private collections; to Sep 1

RICHMOND, USA

EXHIBITION
Virginia Museum of Fine Arts Tel: 1-804-357-0852
● Fabergé in America/The Lillian Thomas Pratt Collection of Fabergé: two exhibitions focusing on American collections of the work of Russian Imperial Jeweller Peter Carl Fabergé. The shows feature some 400 Fabergé objects, their display in Richmond coinciding with the 60th anniversary of the Virginia Museum of Fine Arts and the 150th anniversary of the birth of Fabergé. Highlights of the exhibitions are the Peter the Great Egg and the Czarevitch Egg from the Virginia Museum's Pratt Collection, the Lilies of the Valley Basket from the Nettie Gaddings Gray Collection in New Orleans, the Cameo or Catherine the Great Egg from the Merrimack Post Collection, and the Coronation Coach Egg from the Forbes Magazine Gallery; from Aug 24 to Nov 3

ROME

EXHIBITION
Museo Nazionale del Palazzo Venezia Tel: 39-6-6798865
● Felicien Rops. La modernità scandalosa: retrospective exhibition devoted to the work of the Belgian graphic artist Felicien Rops (1858-1898), who settled in Paris in the mid-1870s and acquired a reputation for satanism and decadence. The display features more than 300 works from public and private collections; to Sep 1

ROTTERDAM

EXHIBITION
Museum Boijmans-van Beuningen Tel: 31-10-4419400
● Tiepolo: this exhibition features prints, drawings and paintings by Giovanni Battista Tiepolo selected from Dutch public collections on the occasion of the 300th anniversary of the Italian artist's birth; from Aug 17 to Oct 20

SALZBURG

CONCERT
Grosses Festspielhaus Tel: 43-662-80450
● The Cleveland Orchestra: with conductor Christoph von Dohnányi and pianist Alfred Brendel perform Beethoven's Piano Concerto No. 1 and Mahler's Symphony No. 5. Part of the Salzburger Festspiele; 8.30pm; Aug 23

SYDNEY

EXHIBITION
The Powerhouse Museum Tel: 61-2-7107111
● Treasures from the Kremlin: the world of Fabergé: five of the remaining Fabergé Easter Eggs designed and created by the Russian jeweller Peter Carl Fabergé are among the works featured in this exhibition. The exhibits come from the collection of the Armoury Museum at the Kremlin and include about 250 objects made of gold, silver and semi and precious stones; to Sep 20

WASHINGTON

EXHIBITION
National Gallery of Art Tel: 1-202-7374215
● In the Light of Italy: Corot and Early Open-Air Painting: the achievements of the international group of painters who assembled in Rome and southern Italy at the end of the 18th century and the early years of the 19th century are presented through about 120 paintings. An important feature of the exhibition is a selection of 20 of the finest Italian sketches and small finished view paintings by Corot in the context of plein-air painting in the early 19th century; to Sep 2

Listing compiled and supplied by ArtBase The International Arts Database, Amsterdam, The Netherlands. Copyright 1996. All rights reserved. Tel: 31 20 684 6441

CHESS

Only three of the UK's 30 grandmasters competed in the British championship which finished last night at Nottingham, but there was plenty of lively attacking chess. One-third of the players were aged under 21, the two youngest 12 and 11. Readers of this column will be familiar with the concept of developing the queen's rook at Qb3 or Qb4 prior to a cross-board switch against Black's castled king. This week's game shows the mirror image with the KR. White's key choices are 11 Rb4, the rook flank move; 13 Kf1, where the king is safer than if castled; and 16 dxe6, a winning sacrifice (Graham Lee v James Vigos, Pirc Defence).

1 e4 d5 2 d4 Nf6 3 Nc3 g6 4 Bg7 5 Bc5 0-0 6 g4 c5 7 g5 Nf6 8 Ne5 keeps d7 for the other knight. 8 Nf3 a6 9 h4 b5 10 h5 Bh7! Too slow. Qb6 11 Qb2 (11 Nf3 Qb6) Nc6 and 12 d5 Nf4 is a thematic plan.

11 Rb4 e6 12 Qd2 Qd5 Better b4 13 Nd1 Nc6. 13 Kf1 13 0-0 b4 and Qb2 would justify Black's play, whereas now the BQ is attacking air. Black must be 17 e6? Kd7 18 Qd5 White has a win.

M. Bezold v P. Froehlich, Wurzberg 1996. This looks, and is, an innocuous position; but Black (to play) now made a natural move which proved a blunder when White's reply forced resignation. How did the game end?

Solution, Page 11

Leonard Barden

BRIDGE

Politicians are notorious for never admitting their errors, however damning the evidence even at the green table. Not enjoying parliamentary privilege, I leave the characters from this Lord's Commons match unnamed.

♠ N
♠ K 8 7 6 4
♥ 8 5
♦ K 5 3
♣ A J 4

♠ J 2
♥ A Q J 9 7
♦ J 7 6 4 3
♣ K 10 8 7 5 3

♠ A Q 9 5 3
♥ 6 4
♦ A Q 8
♣ Q 8 6

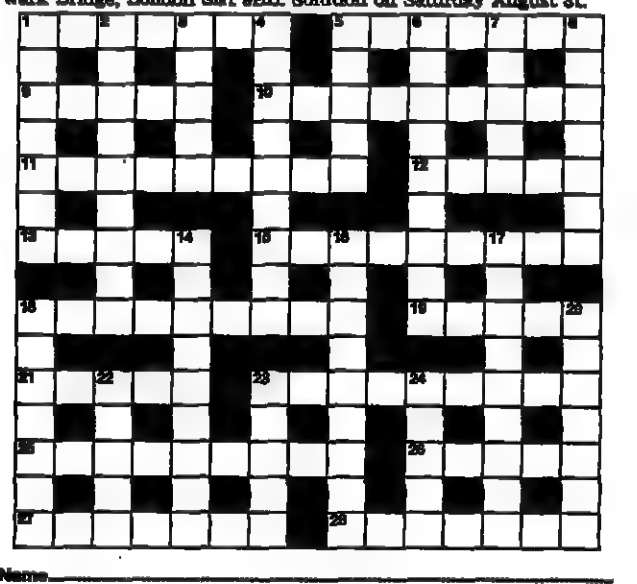
South, for the Commons, opened 1S, West overcalled 2H, and North ended the auction with 4S. West led 2♠. Declarer played low from dummy, East won with K♠, and returned the suit.

West ruffed, and led A♥ and 7♥. East won, led

Paul Mendelson

CROSSWORD

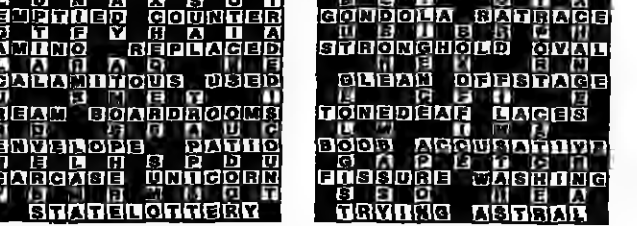
No. 9,149 Set by CINEPHILE
A prize of a classic Pelikan fountain pen for the first correct solution offered and five runner-up prizes of 250 Pelikan vouchers. Solutions by Wednesday August 22, marked Crossword 9,149 on the envelope, to the Financial Times Number One Southwick Bridge, London SE1 9EL. Solution on Saturday August 25.



Across

- 1 Refuse to recognise girl with sword (7)
- 2 Listening device for speculator, thing to dread (7)
- 3 Motorway ration station opened by economist? (5)
- 4 Movement of a corpse topped by liquid (6,4)
- 5 Home Office cases across compassion? Not what one wants to hear (4,6)
- 6 Dad's upset by his ladybird's diet (5)
- 7 Criticises former property tax (5)
- 8 Ancient locomotive may find river soon (4,5)
- 9 Consistency shown by a number formerly around these parts (9)
- 10 Goodbye and thank you - goodbye for Jesus? (5)
- 11 Unit of heat? Tell that to them! (5)
- 12 Having pleaded one's hand and feet, if possible (9)
- 13 Gas jet just to make money? (6)
- 14 A measure of sand in the crowd (5)
- 15 Lawyer troubled about one in a bored sort of way (7)
- 16 Ancient city must lie in ruins (7)

Solution 9,148



Down

- 1 Military training centre for some cavalry past in north-halls (7)
- 2 Trial marriage for Lord's? (5)
- 3 A little daytime demon (5)
- 4 Counsel is offered in privacy (5)
- 5 Insect with companion on tree (5)
- 6 Composer covered in blood opposed to liberalism (9)
- 7 Parent of long liver will have no chance of part (5)
- 8 One quick answer is, love a good person and be mature about it (7)
- 9 South wind (most of one) on Long Island caused by volcano (9)
- 10 Nothing to write because of hesitation? Here anyone can join in (4,5)
- 11 Unwilling to revive a cult that's in schism (9)
- 12 Scratching tool? (4,3)
- 13 Row in children's game's old news? (7)
- 14 A wide man in the crowd (5)
- 15 Everyone's agreed to bring relief (5)
- 16 Backer of play falls from a great height (5)

Solution 9,149



James Morgan

Vanga's foresight is contagious

Bulgaria is mourning the loss of a clairvoyant. But what was her role in that troubled country?

It was with mixed emotions last Monday that I read of the death of Vanga, as Vangelia Goushterova was known. Bulgaria's leading clairvoyant was 85 and had been ill for some time but her renown and popularity had never been greater. My involvement with her began in 1985 when I went to Sofia to reveal to an apathetic world the horrors of Bulgaria's campaign to make its ethnic Turks change their names.

Thanks to the ruthless application of the techniques of investigative journalism I came upon my second "scoop" of the week in the bar of the Vitosha Hotel. A man turned to me and said: "The old witch is mortally ill." I

had not heard of Vanga at the time but soon found everybody else had and called her "Granny". Anyway, the news went out on that distant January day: Vanga was at death's door. As a result I enjoyed 15 minutes of fame in her homeland thanks to the BBC's Bulgarian service. The rest of the world remained in ignorance of my foresight.

Vanga's claim to fame was somewhat better founded. One million Bulgarians had consulted her and she was always right. As the national news agency noted last Sunday, her "extraordinary psychic powers had long ceased to be disputed by scientists". Her clients included the country's

former communist dictator, Todor Zhivkov, and Simeon, claimant to the nation's throne. By a strange coincidence on Monday I found myself among east Europeans and was able to tell a young Bulgarian of her nation's loss. She blanched. Even the Ukrainians in her group gasped. I asked, not for the first time, what Vanga had actually said, and was told, yet again, that she foretold the future.

"Did she foretell the collapse of Communism?" I asked. "She wouldn't have dared to," snapped a young Romanian lady. And on Monday all the newspapers in Bulgaria made Vanga's death their main story. They told how, at the age of 12, she had

been taken up by a whirlwind and dropped with such force that she lost her eyesight forever. In 1941, "a stranger riding on a white horse, spear in hand, stopped by her place in Strumica, Macedonia, to tell her she should become a clairvoyant". Her powers must have been evident even then for, though blind, she apparently knew the horse was white. She moved to Roupitsa in south-western Bulgaria which was on the site of an ancient ruined city. Vanga said that was what gave her strength. Ask for an example of her work and you will be told that her successes have been fully documented. When she entered hospital for the last time Vanga

held up 10 fingers. The papers concluded this meant that she would live 10 days. Or perhaps 10 months or 10 years. Maybe she would die on August 10. She died eight days later on the 11th.

Hours earlier, *Nouchat* ran the headline, "Vanga: The End of Miracles" and quoted a weeping woman outside the hospital: "If she dies, the miracle in which we believed dies too and the worst will happen."

Bulgaria is a country where, if not the worst, then a lot of bad things have been happening for some time. Man and nature have combined to wreck what the Communists left of an economy. What was Vanga's role in it all? In the Communist days she had

either been the only state-owned prophetess in history or the most influential private citizen between Berlin and Beijing. Anyway my own prophecy about Vanga has now come true. Watch out for the next one. Thirty years ago, in a newsletter on African affairs, I wrote of a certain Joseph-Désiré (later Sese-Seko) Mobutu who had just become president of what was then called the Congo and is now Zaire. I told my readers that "The days of the Mobutu presidency are numbered". People still recall this and laugh, but my judgment shall one day be vindicated.

James Morgan is BBC World Service economics correspondent.

Peter Aspdon To hell with all this hype



As someone who has always regarded Tony Blair as something of a pussycat, I find it hard to see the devil in those red-dyed, slit eyes which peer out of the Conservative party's latest poster campaign.

Demonisation? I don't know about that. To me, he looks more than ever like he has just slurped a pint of Devon's finest and is hanging around looking for someone to rub that bit between the shoulder blades which sets frisky tails al quiver.

But the Bishop of Oxford, among others, does not appreciate what he sees as the satanic imagery of the campaign. The Rt Rev Richard Harries thinks it deplorable, and potentially dangerous, that politicians stoop to such sordid measures to attack each other. He has the quaint idea that politics is about issues, policies, intelligent debate; proving, sadly, that the Church is still about a century and a half behind the times.

Satanic Blair versus righteous

Portillo is in fact the very paradigm of a modern political story. It is devoid of substance, childish, patronising. It tells us nothing.

Everywhere there is a cool distance between substance and gloss

ing of what either party hopes to achieve if elected to power. It dwells obsessively with image and popular perception. It is centred around one aspect of the mass media - poster advertising - and feeds another, the ravenous desire for cheap polemic.

Intellectuals would call it a *meta-political* story: a story of secondary order. Trendy social theorists would go even further: here is a classic instance of a postmodern politics, skimming the surface of real issues and being refracted through an infinite supply of pundits and pulpits to suit all occasions.

In the meantime, we are asked to make informed decisions about serious social issues, and absurdly chided for our occasional cynicism, which shows every sign of evolving into a chronic condition.

It is not entirely the fault of politicians. Everywhere you look there is a cool distance between substance and gloss. Take the case of Mandy Allwood, the woman who is expecting eight babies: here, too, we are essentially a profoundly difficult, ethical dilemma has been ambushed by secondary issues. Is she really contraindicated by a newspaper on a per-fetus sliding scale (an allegation since denied by the *News of the World*)? Is her partner really a feckless Romeo, as portrayed in the tabloid press?

In times past, a woman in Allwood's delicate position would have sought the advice and attention of the local priest. Instead, she went straight to a PR consultant. Unsurprisingly, the core of the dilemma has been forgotten.

It was left to a doctor (a profession increasingly laden with the duties of priesthood) to warn that the excessive public interest in the case could cause harm to the unborn babies. Kypros Nico-laidis, Allwood's consultant, made the Canute-like plea that the media "let the story settle down". Fat chance.

Even in sport, a relatively unimportant social pastime, we find media hype and clever packaging gradually imposing themselves over reality, not least in the mind of the Newcastle United manager Kevin Keegan, whose supposed coup in signing Alan Shearer for £15m flew in the face of common sense.

But *meta-sport* is evidently big in the north-east: nearly 20,000 people turned up to watch Shearer give no more than a press conference at St James' Park. The first babies to bear the great man's name were already dribbling on their black and white blibs before he had kicked a ball. Reality briefly intruded last Sunday when Keegan's team were thrashed in the Charity Shield.

There is no harm in dreaming. But my thoughts keep turning to the Bishop of Oxford, to all clerics everywhere, who are charged with making sense of the world and distinguishing right from wrong amid these paltry soundbites and bubbles of bombast.

Christianity has a rich imagery on which to draw for these purposes; but what do you tell your congregation on a Sunday morning when you find the devil on a high street billboard, and top-scoring footballers are the only saints around?



Proud inheritance: David Lowesley-Williams in the bedroom at Chavenage where Oliver Cromwell slept

Tony Anderson

Private View

Lord of the manor

Christian Tyler asks a member of the landed gentry why he battles on in the country-house set

he would inherit Chavenage from his uncle John, a bachelor. The circumstances, however, he could never have foreseen.

He was 23 when he became engaged to Rona McCorquodale on Easter Sunday 1983. The following day his uncle threw a party and announced he would hand over the house, farm and estate as a wedding present. (In those days such gifts were exempt from death duty.)

That night his uncle, who had cancer, suffered a relapse. Next morning, the family's solicitor and doctor advised that the couple should marry without delay in case the gift were challenged.

The wedding was set for the following Monday. A special licence had to be arranged because the bridegroom was Roman Catholic and the bride was Anglican. Some 250 guests had to be summoned by telephone. "Luckily, Rona just walked into her grandmother's wedding dress," Lowesley-Williams added.

Four days after the wedding, the uncle died. Meanwhile, rumours of an upper-class shotgun wedding had reached the ears of Fleet Street columnist

Marjorie Proops. "She rang up and tried to read all that sort of thing into it," Lowesley-Williams said. "I had to talk for 20 minutes without saying anything - you know what I mean?"

Later, I asked him if this nexus of properties, legacies and marriages was what made the English class system so enduring. "I think we're the only people who have a feeling of continuity, who treat capital as capital and income as income," he replied. "The concept of capital that is sacrosanct has virtually disappeared."

"My uncle, because he lost his own money on a rash investment, reckoned he had no money left, though legally he owned the whole place. And so to the end of his life the only car he had was a clapped-out old Land Rover."

On open days, Lowesley-Williams acts as guide while his wife takes the money at the door. He points out the ancient stained glass from the monastery which was wound up in the 14th century after the prior was excommunicated for embezzlement.

He picks up a cricket score book in which four members of the Grace family appear playing

at Chavenage in 1884. He shows a button box which belonged to the great-great-uncle of his father's nurse who was a steward on Nelson's flagship *Victory*. He shows the adjacent church where the staff - now reduced to one daily help - would worship each morning and where a cowled monk has been seen.

Most of all he shows the bedroom, its walls covered in made-to-measure Flemish tapestries, where Oliver Cromwell is supposed to have slept after persuading a former owner of Chavenage to join the regicides. On a side table stands a crucifix, reminder of the exorcism ordered by his grandmother.

The master of Chavenage does nothing to discourage the ghost-mongers. To set the flesh creeping he recites from memory an account of how the headless shade of King Charles is seen driving up in a coach to claim the soul of each dying incumbent.

To ensure the succession of his own son George, Lowesley-Williams has put the estate into a family trust. He pays rent as householder and his son pays

rent as farmer of the 1,100 acres of arable land. His wife looks after the 220 dairy cows.

Apart from the two open days, required of owners of historic houses who accept capital grants from the government, Lowesley-Williams defrays his costs by letting out an Edwardian wing for functions. There is amateur Shakespeare on the lawn in summer, clay pigeon shooting for company executives, and - the icing on the cake - television and film location work.

All this brings the cost of living at Chavenage down to manageable proportions. The damage he sustained at Lloyd's was relatively minor because he had avoided insurance syndicates with open-ended commitments. But he was angry at what he called the decline of morality in the City. "Some clever men got away with it while the traditional country names took it on the chin."

"Lloyd's has done more to equalise wealth than any socialist government has managed to do."

As we perused the memorials in the chapel (the Stephens family owned Chavenage from 1551

to 1891) Lowesley-Williams said it was rare for a house, once sold, to stay long in its new owners' hands.

"At the first sign of problems, instead of buckling down they take the easy option and sell. Whereas if you feel you're the life tenant you do your level best to hand it on."

Were you taken aside and instructed as a child? "Not as such. But it was a thing which was understood. And I just sort of accepted it like a fact of life."

Who is the obligation towards your predecessors, your children, England?

"It's just a general feeling, conscience, that it's not yours to dispose of willy-nilly. One thinks of my grandfather, my uncle John up there..." he pointed to the chapel roof, "not being too pleased if they saw that all their work and sacrifices at a stroke went for nothing."

"It's rather like being in a good regiment," he added contentedly. "You're far more frightened of letting down the tradition of the regiment than you are of actually being hurt. It helps when you're not thinking of yourself."

That price slipped away. And now it's irretrievable. Cyberspace is expanding too rapidly. All a fellow can do now is try and buy all the stories. Monopolise the narrative.

"That is exactly how I can help," I said. "The pearl-coloured, CD-like object discovered in a meteorite that struck my car in 1985 comes from a long-vanished civilisation that died for lack of narrative. It had no more stories. It had used them all up. Extinction swiftly followed. But before it vanished, it put all its exhausted stories on to discs, popped the discs into meteorites, and sent them off in a fiery cloud. They voyaged for 3bn years. The stories on that disc, Rupe, will keep your media empire afloat for another 20 years."

"How much do you want?" asked Rupe. My voice fell to a whisper. I said: "How much have you got?"

This is the media silly season, a time of desperation - though not, as it happens, for me. I seldom discuss it, but one of my closest friends is Rupert Murdoch, the media tycoon. I have known him for 30 years, ever since he bought the first newspaper on which I worked. It was a very small newspaper that belonged to a group of like-sized titles that found itself caught up in Rupe's first outrageous foray into the UK newspaper biz.

I was sitting there one day, writing the front page, when there was a hideous sucking roar, like the noise of a Komodo dragon swallowing a goat. All over the world, people have heard that noise whenever Rupe has ingested someone's business.

A megalomaniac he may be. But there is an innocent side to Rupe that is almost never reported. Over the years I have played on his gullibility to profit-

able effect. Rupe, as you know, owns countless newspapers, TV stations and movie studios. As a result, he has a near-insatiable appetite for narrative - for stories - with which to keep the whirligig spinning. Without stories, Rupe would be dead. So I rang him the other night. "Giddy, mate," I said. (Only four people in the world are permitted to remind Rupe of his antipodal origins in this manner.) "Giddy, Mike," he said. "Have you got any stories? I've got editors and script managers from Sydney to Eskimo Point squealing for them. There is a world

shortage of narrative."

"Of course I have," I said. "But we're talking telephone numbers. Rupe. You remember that story the other day about fossilised bacteria in a meteorite proving there was - or had been - life on Mars, at least in the form of microscopic, idiotic, single-celled structures? Well, I've got something thousands of times bigger. Fact is, a team of scientists in my employ has at last cracked the coded content of a pearl-coloured, CD-like object discovered in a meteorite that struck my car in 1985 while I was driving north from Wooroorooka to Cunn-

ulla, in southern Queensland. "What car?" asked Rupe, who likes dabs of verisimilitude.

"A golden Holden." "Sounds like there's lots of bloody meteorites around all of a sudden."

"Yes, Rupe, there are. Showers of them practically every night. But it is not often they yield their secrets. They fall into the sea or disappear down volcanoes, to which they seem to be attracted. Volcanologists of my acquaintance say most volcanoes are almost chock-a-block with meteorites. But we're veering off the track, Rupe, we're heading into

the bush. Concentrate, because this is the story of the century."

"Bigger than Hitler's diaries?" "Infinitely bigger. Put it this way, Rupe: what does a megalomaniac media mogul such as yourself dream of owning?"

There was silence on the line. Correction: there was the eerie, sub-molecular trembling of an enormous brain at work, racing, surging.

"Well," said Rupe at last. "There was a time - just before and then just after I bought the Hitler diaries - when I thought I was in with a chance of capturing all the world's media. But

Michael Thompson-Noel

Biggest story of the century

There is life beyond Mars. Well, there used to be...

سكاي من الامم

Weekend Investor

Wall Street

First the chill, then the doldrums

Normality returns to New York but uncertainty remains, writes Lisa Bransten

Given the chilly drizzle that fell over Manhattan on Monday, an average New Yorker could not be faulted for assuming summer was over and the city had skipped directly to late autumn. Not so on the market where, after an extremely volatile June and July, the summer doldrums finally struck with a vengeance.

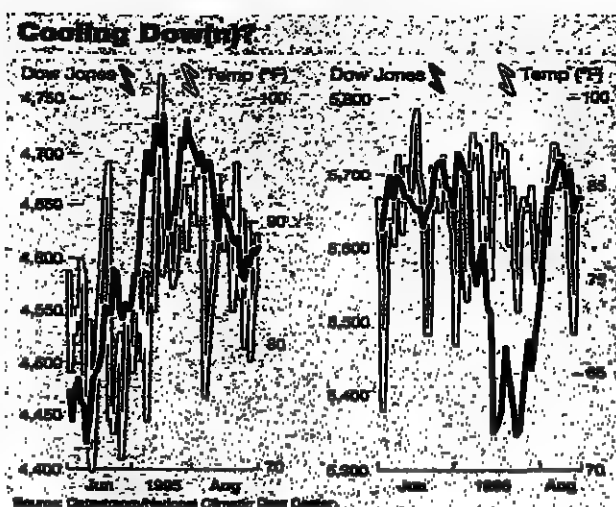
But the lack of activity, after such an erratic start to the season, has left a great deal of uncertainty hanging over the market. Average daily volume, which had been running at around 400m shares since May, has dropped to just 350m so far this month. Trading curbs, triggered when the Dow Jones Industrial Average moves more than 50 points in either direction, have been set off only three times in the past 11 sessions compared with 14 in July's 23 sessions.

In New York, where the favourite summer pastime is complaining about the humidity and scorching sun, many were beginning to think that the normal weather and sleepy markets of summer would never come. For the first time in more than 100 years, the first two months of summer came and went without the thermometer breaching 90 degrees Fahrenheit.

Last year, the weather was normal but the markets did not sleep. Stalling summer temperatures seemed to contribute to the rising market. From June to the end of August, the Dow climbed 3 per cent to 4,610.58 and the Nasdaq composite - which is full of volatile technology shares - rocketed 18 per cent to 1,020.11.

This year, the chilly weather appears to have kept investors focused. First, they sent shares sharply lower amid fears that a rapidly growing economy would force the Federal Reserve to raise interest rates. Since late last month, however, signs of economic cooling have helped shares to crawl back.

From June to mid-July, the Dow dropped more than 5 per cent; but at midday yesterday it registered 5,685.75, about 42 points ahead of where it started the summer. The Nasdaq -



which, late last month, was as much as 17 per cent below the high it hit on June 5 - is about 9 per cent off its lows.

As of yesterday, the consensus that the Federal Reserve would not raise interest rates at Tuesday's meeting of its open market committee still held, but economists are divided sharply about the course of monetary policy for the rest of the year.

Thus, the correction Wall Street analysts began predicting at the start of the year has largely corrected itself, leaving market-watchers wondering whether that was it or simply the start of a bigger drop.

Byron Wien, chief equity strategist at Morgan Stanley and one of Wall Street's most prominent bears, attributes some of the market's recent calm to the soothing effect of the recent upturn. "With the August recovery, the mood of investors has improved and many have proceeded with their vacation plans," he says.

But he cautions against relaxing. "I still believe the US market is in danger of suffering a serious decline. I had expected the trouble to start this summer and extend into the first quarter of 1997 and I am not altering that forecast."

Nor has the recent uptick comforted Gail Dudack of UBS, who has adopted the motto "DJ 5000 before DJ 6000". Especially troubling, she says, is the outperformance of safer blue chip stocks, evidenced by Dow's relative strength in recent weeks.

Even on the Nasdaq, a sharp division has emerged between the best known names - Microsoft, Intel, Cisco Systems and Oracle which all are trading within 8% of their all time highs - and the high-fliers of the first half of the year: Netscape Communications, Iomega and US Robotics, which are all at less than half of their highs.

"Unfortunately, this is a characteristic of a transition from bull market to a bear market," says Dudack. "I believe the correction process started a long time ago and that the Dow may succumb last. It may not happen in [August or September] but there will be something that triggers a fall."

Leslie Birinyi, president of equity researcher Birinyi Associates, draws the opposite conclusion from the same evidence. He takes the market's sturdy recovery as a sign that the Dow could be about to make a positive break out of the range of 5,400 to 5,700 it has held this year.

There will be little to settle the debate for the rest of this month. The summer earnings season is mostly over, and nothing in the way of market-shaking economic news is due out until after the Labour Day holiday early in September.

Dow Jones Ind Average
Monday 5704.88 + 23.67
Tuesday 5647.28 - 57.70
Wednesday 5685.58 + 19.80
Thursday 5665.78 - 1.10
Friday

London

Footsie hits a holiday high

Index rises in thin trading. Philip Coggan reports

With one bound, Footsie was free. During yesterday's session, the UK market's leading index leapt out of its recent trading range of 3,650-3,850 to record an all-time intra-day high and a closing peak of 3,872.9.

Throughout the week, the FT-SE 100 index had been edging up steadily to its previous closing peak of 3,857.1, recorded on April 19. But the rally can hardly be represented as the result of overwhelming enthusiasm - trading was thin, with many dealers away on holiday. Moreover, the broader market indices were somewhat more subdued: the Mid-250 index, for example, remains around 200 points off its peak.

The improved sentiment owed much to Wall Street, which has stabilised after the trauma it experienced in July. US investors seem to

be convinced that the Federal Reserve will not raise interest rates when it meets on Tuesday and the 30-year Treasury bond yield has dropped from 7.25 per cent to 6.75 per cent, taking a lot of pressure off global equity markets. Another positive international influence was Germany, where there are hopes the Bundesbank might lower rates on Thursday.

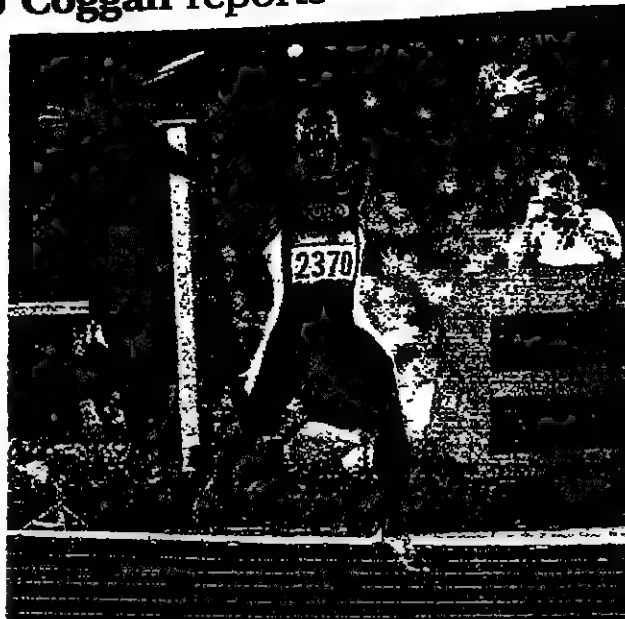
In the UK, institutional investors have been reducing their holdings of domestic equities for some time. Throw in cash from share buy-backs and the odd takeover and there was, accordingly, plenty of liquidity to move into the market when the mood changed.

The week's economic statistics may also have helped, although they did not really resolve the debate between those who support Kenneth Clarke, the chancellor, who believes inflationary pressures are subdued; and those who support Eddie George, the governor of the Bank of England, who believes a pre-emptive interest rate rise might soon be needed.

Wednesday's labour market data showed a sharper-than-expected fall in unemployment and a rise in annual average earnings' growth. But the figures need to be interpreted with caution - unemployment actually rose in July and the fall reflects the seasonal adjustment process.

Nevertheless, the employment data added weight to the governor's arguments. But the chancellor can point to Monday's producer prices and Thursday's retail figures, neither of which showed any sign of an upward move in inflation. Indeed, the rate of producer price growth was the lowest for 30 years.

While a further interest rate cut might help the stock market - and would certainly do no harm to the government's re-election



With one bound, Footsie was free

chances - the UK could be in danger of repeating some of its old economic mistakes.

Time and again, UK governments have poured fuel on the fire by cutting rates when the consumer sector is buoyant, leading eventually to a widening trade deficit and accelerating inflation. Then, too late, they have attempted to cool the flames by raising interest rates rapidly, thereby plunging the economy into recession.

For the moment, however, investors seem relatively unconcerned about such long term dangers, or about the prospect of a Labour government. The UK stock market, having lagged behind the world's main markets for much of the year, is seeking the chance to catch up some of the lost ground.

Valuation measures are at levels which do little to suggest that shares are either excessively cheap or dear. On Thursday night, the price-earnings ratio on the Non-Financial index was 17.3, a bit above the 10-year average of 15.3 but well below the 28 rating recorded early in 1994.

The dividend yield on the All-Share was 3.88 per cent, below the 10-year average of 4.3 per cent but well above the rate of inflation and the pre-1987 crash low of 2.85 per cent. Both of the above measures point to shares being on the dear side of the historical trend. But the yield ratio - the relationship between bond and equity returns - was 2.11 on Thursday night, below the 10-year average of 2.2. On that basis, shares look cheap compared

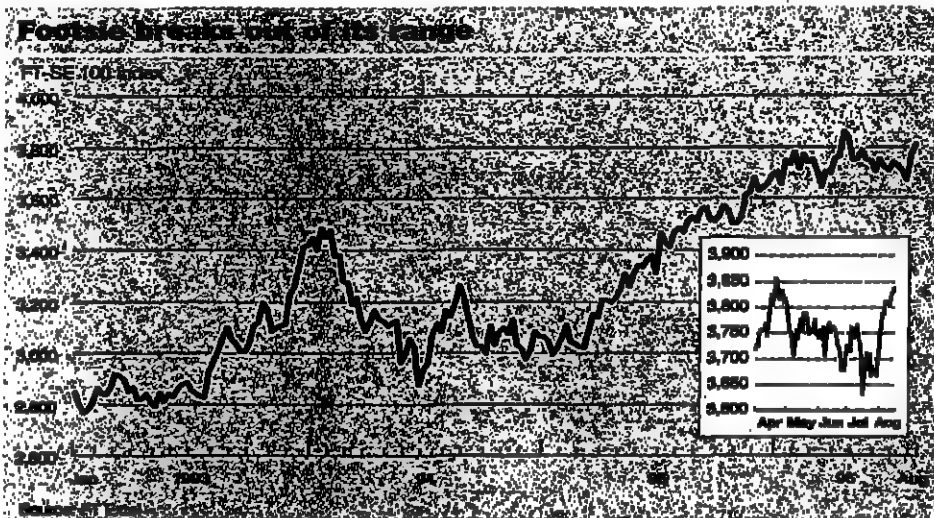
with recent history.

So, if you are inspired by the latest rally to go out and invest in the stock market, which shares should you choose? Goldman Sachs has completed a study of the UK market dating back to 1970, looking at 289 non-financial companies. The study considered five separate valuation measures: earnings yield (roughly the inverse of the price-earnings ratio), dividend yield, price-to-sales, price-to-book (or asset value), and market capitalisation.

Companies with the lowest market capitalisations and the highest dividend yields performed best over the long run. Among small cap stocks, however, price-to-sales and price-to-book ratios became important.

There were some surprising findings in the study: there was no absolute correlation between p/e ratios or earnings yields, and investment returns. Yet, stocks with very high ratios performed well over a one-year period and stocks with low ratios did best over the long term. And, while dividend yield works well as a predictor for the overall market, it is not a good measure of future small cap performance.

"Smaller firms are more likely to reinvest most of their revenues (assuming that they are growing) and therefore, we feel that earnings, sales and cash flow measures are likely to be more successful," says the Goldman Sachs team.



Highlights of the week

	Point	Change	High	Low	Week's
FT-SE 100 index	3872.9	+12.2	3873.1	3490.1	Interest rate optimism
FT-SE Mid 250 index	4588.4	+41.8	4588.8	3482.7	Corporate deals
FT-SE 1000 index	8845.1	+10.5	8845.1	7845.1	Share repurchases
FT-SE 2500 index	17690.2	+21.0	17690.2	15690.2	Share repurchases
FT-SE 3500 index	26535.3	+31.5	26535.3	23535.3	Share repurchases
FT-SE 4500 index	35380.4	+42.0	35380.4	32380.4	Share repurchases
FT-SE 5500 index	44225.5	+52.5	44225.5	41225.5	Share repurchases
FT-SE 6500 index	53070.6	+63.0	53070.6	50070.6	Share repurchases
FT-SE 7500 index	61915.7	+73.5	61915.7	58915.7	Share repurchases
FT-SE 8500 index	70760.8	+84.0	70760.8	67760.8	Share repurchases
FT-SE 9500 index	79605.9	+94.5	79605.9	76605.9	Share repurchases
FT-SE 10500 index	88451.0	+105.0	88451.0	85451.0	Share repurchases
FT-SE 11500 index	97296.1	+115.5	97296.1	94296.1	Share repurchases
FT-SE 12500 index	106141.2	+126.0	106141.2	103141.2	Share repurchases
FT-SE 13500 index	114986.3	+136.5	114986.3	111986.3	Share repurchases
FT-SE 14500 index	123831.4	+147.0	123831.4	120831.4	Share repurchases
FT-SE 15500 index	132676.5	+157.5	132676.5	129676.5	Share repurchases
FT-SE 16500 index	141521.6	+168.0	141521.6	138521.6	Share repurchases
FT-SE 17500 index	150366.7	+178.5	150366.7	147366.7	Share repurchases
FT-SE 18500 index	159211.8	+189.0	159211.8	156211.8	Share repurchases
FT-SE 19500 index	168056.9	+199.5	168056.9	165056.9	Share repurchases
FT-SE 20500 index	176902.0	+210.0	176902.0	173902.0	Share repurchases
FT-SE 21500 index	185747.1	+220.5	185747.1	182747.1	Share repurchases
FT-SE 22500 index	194592.2	+231.0	194592.2	191592.2	Share repurchases
FT-SE 23500 index	203437.3	+241.5	203437.3	200437.3	Share repurchases
FT-SE 24500 index	212282.4	+252.0	212282.4	209282.4	Share repurchases
FT-SE 25500 index	221127.5	+262.5	221127.5	218127.5	Share repurchases
FT-SE 26500 index	230072.6	+273.0	230072.6	227072.6	Share repurchases
FT-SE 27500 index	238917.7	+283.5	238917.7	235917.7	Share repurchases
FT-SE 28500 index	247762.8	+294.0	247762.8	244762.8	Share repurchases
FT-SE 29500 index	256607.9	+304.5	256607.9	253607.9	Share repurchases
FT-SE 30500 index	265453.0	+315.0	265453.0	262453.0	Share repurchases
FT-SE 31500 index	274298.1	+325.5	274298.1	271298.1	Share repurchases
FT-SE 32500 index	283143.2	+336.0	283143.2	280143.2	Share repurchases
FT-SE 33500 index	291988.3	+346.5	291988.3	288988.3	Share repurchases
FT-SE 34500 index	300833.4	+357.0	300833.4	297833.4	Share repurchases
FT-SE 35500 index	309678.5	+367.5	309678.5	306678.5	Share repurchases
FT-SE 36500 index	318523.6	+378.0	318523.6	315523.6	Share repurchases
FT-SE 37500 index	327368.7	+388.5	327368.7	324368.7	Share repurchases
FT-SE 38500 index	336213.8	+399.0	336213.8	333213.8	Share repurchases
FT-SE 39500 index	345058.9	+409.5	345058.9	342058.9	Share repurchases
FT-SE 40500 index	353904.0	+420.0	353904.0	350904.0	Share repurchases
FT-SE 41500 index	362749.1	+430.5	362749.1	359749.1	Share repurchases
FT-SE 42500 index	371594.2	+441.0	371594.2	368594.2	Share repurchases
FT-SE 43500 index	380439.3	+451.5	380439.3	377439.3	Share repurchases
FT-SE 44500 index	389284.4	+462.0	389284.4	386284.4	Share repurchases
FT-SE 45500 index	398129.5	+472.5	398129.5	395129.5	Share repurchases
FT-SE 46500 index	406974.6	+483.0	406974.6	403974.6	Share repurchases
FT-SE 47500 index	415819.7	+493.5	415819.7	412819.7	Share repurchases
FT-SE 48500 index	424664.8	+504.0	424664.8	421664.8	Share repurchases
FT-SE 49500 index	433509.9	+514.5	433509.9	430509.9	Share repurchases
FT-SE 50500 index	442355.0	+525.0	442355.0	439355.0	Share repurchases
FT-SE 51500 index	451200.1	+535.5	451200.1	448200.1	Share repurchases
FT-SE 52500 index	460045.2	+546.0	460045.2	457045.2	Share repurchases
FT-SE 53500 index	468890.3	+556.5	468890.3	465890.3	Share repurchases
FT-SE 54500 index	477735.4	+567.0	477735.4	474735.4	Share repurchases
FT-SE 55500 index	486580.5	+577.5	486580.5	483580.5	Share repurchases
FT-SE 56500 index	495425.6	+588.0	495425.6	492425.6	Share repurchases
FT-SE 57500 index	504270.7	+598.5	504270.7	501270.7	Share repurchases
FT-SE 58500 index	513115.8	+609.0	513115.8	510115.8	Share repurchases
FT-SE 59500 index	521960.9	+619.5	521960.9	518960.9	Share repurchases
FT-SE 60500 index	530806.0	+630.0	530806.0	527806.0	Share repurchases
FT-SE 61500 index	539651.1	+640.5	539651.1	536651.1	Share repurchases
FT-SE 62500 index	548496.2	+651.0	548496.2	545496.2	Share repurchases
FT-SE 63500 index	557341.3	+661.5	557341.3	554341.3	Share repurchases
FT-SE 64500 index	566186.4	+672.0	566186.4	563186.4	Share repurchases
FT-SE 65500 index	575031.5	+682.5	575031.5	572031.5	Share repurchases
FT-SE 66500 index	583876.6	+693.0	583876.6	580876.6	Share repurchases
FT-SE 67500 index	592721.7	+703.5	592721.7	589721.7	Share repurchases
FT-SE 68500 index	601566.8	+714.0	601566.8	598566.8	Share repurchases
FT-SE 69500 index	610411.9	+724.5	610411.9	607411.9	Share repurchases
FT-SE 70500 index	619257.0	+735.0	619257.0	616257.0	Share repurchases
FT-SE 71500 index	628102.1	+745.5	628102.1	625102.1	Share repurchases
FT-SE 72500 index	636947.2	+756.0	636947.2	633947.2	Share repurchases
FT-SE 73500 index	645792.3	+766.5	645792.3	642792.3	Share repurchases
FT-SE 74500 index	654637.4	+777.0	654637.4	651637.4	Share repurchases
FT-SE 75500 index	663482.5	+787.5	663482.5	660482.5	Share repurchases
FT-SE 76500 index	672327.6	+798.0	672327.6	669327.6	Share repurchases
FT-SE 77500 index	681172.7	+808.5	681172.7	678172.7	Share repurchases
FT-SE 78500 index	690017.8	+819.0	690017.8	687017.8	Share repurchases
FT-SE 79500 index	698862.9	+829.5	698862.9	695862.9	Share repurchases
FT-SE 80500 index	707708.0	+840.0	707708.0	704708.0	Share repurchases
FT-SE 81500 index	716553.1	+850.5	716553.1	713553.1	Share repurchases
FT-SE 82500 index	725398.2	+861.0	725398.2	722398.2	Share repurchases
FT-SE 83500 index	734243.3	+871.5	734243.3	731243.3	Share repurchases
FT-SE 84500 index	743088.4	+882.0	743088.4	740088.4	Share repurchases
FT-SE 85500 index	751933.5	+892.5	751933.5	748933.5	Share repurchases
FT-SE 86500 index	760778.6	+903.0	760778.6	757778.6	Share repurchases
FT-SE 87500 index	769623.7	+913.5	769623.7	766623.7	Share repurchases
FT-SE 88500 index	778468.8	+924.0	778468.8	775468.8	Share repurchases
FT-SE 89500 index	787313.9	+934.5	787313.9	784313.9	Share repurchases
FT-SE 90500 index	796159.0	+945.0	796159.0	793159.0	Share repurchases
FT-SE 91500 index	805004.1	+955.5	805004.1	802004.1	Share repurchases
FT-SE 92500 index	813849.2	+966.0	813849.2	810849.2	Share repurchases
FT-SE 93500 index	822694.3	+976.5	822694.3	819694.3	Share repurchases
FT-SE 94500 index	831539.4	+987.0	831539.4	828539.4	Share repurchases
FT-SE 95500 index	840384.5	+997.5	840384.5	837384.5	Share repurchases
FT-SE 96500 index	849229.6	+1008.0	849229.6	846229.6	Share repurchases
FT-SE 97500 index	858074.7	+1018.5	858074.7	855074.7	Share repurchases
FT-SE 98500 index	866919.8	+1029.0	866919.8	863919.8	Share repurchases
FT-SE 99500 index	875764.9	+1039.5	875764.9	872764.9	Share repurchases
FT-SE 100500 index	884609.0	+1050.0	884609.0	881609.0	Share repurchases
FT-SE 101500 index	893454.1	+1060.5	893454.1	890454.1	Share repurchases
FT-SE 102500 index	902299.2	+1071.0	902299.2	899299.2	Share repurchases
FT-SE 103500 index	9111				

FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (444) 171-8734/8738 for more details.

[illegible]

• NOTES
 Gross: Contractual rate of interest payable, not taking account of the deduction of basic rate income tax.
 Net: Rate of interest payable after allowing for deduction of basic rate income tax.
 Gross GAI: Gross rate annualised to take account of compounding of interest paid other than once a year. 'Compounded Annual Rate'.
 Net GAI: Net rate annualised to take account of compounding of interest paid other than once a year. 'Compounded Annual Rate'.

صبرنا من الازل

	Initial Market Setting	Buyback
1	100	100
2	100	100
3	100	100
4	100	100
5	100	100
6	100	100
7	100	100
8	100	100
9	100	100
10	100	100
11	100	100
12	100	100
13	100	100
14	100	100
15	100	100
16	100	100
17	100	100
18	100	100
19	100	100
20	100	100
21	100	100
22	100	100
23	100	100
24	100	100
25	100	100
26	100	100
27	100	100
28	100	100
29	100	100
30	100	100
31	100	100
32	100	100
33	100	100
34	100	100
35	100	100
36	100	100
37	100	100
38	100	100
39	100	100
40	100	100
41	100	100
42	100	100
43	100	100
44	100	100
45	100	100
46	100	100
47	100	100
48	100	100
49	100	100
50	100	100
51	100	100
52	100	100
53	100	100
54	100	100
55	100	100
56	100	100
57	100	100
58	100	100
59	100	100
60	100	100
61	100	100
62	100	100
63	100	100
64	100	100
65	100	100
66	100	100
67	100	100
68	100	100
69	100	100
70	100	100
71	100	100
72	100	100
73	100	100
74	100	100
75	100	100
76	100	100
77	100	100
78	100	100
79	100	100
80	100	100
81	100	100
82	100	100
83	100	100
84	100	100
85	100	100
86	100	100
87	100	100
88	100	100
89	100	100
90	100	100
91	100	100
92	100	100
93	100	100
94	100	100
95	100	100
96	100	100
97	100	100
98	100	100
99	100	100
100	100	100

FOR THE BEST RETURN
ON YOUR MONEY,
COME AND SHARE OUR
HOSPITALITY.

All the business facilities and all the comfort you'd expect from a quality hotel. All at refreshingly low prices. No wonder Novotel offers the best return for your money. For more information on our 18 hotels in the UK and 300 worldwide, call 0181 748 3433.

五、其他

Ordry Asset Management Ltd 80 Harcourt Street, Dublin 2 Ordry Investments (UK) Inc Tel: 01 453 1021	00 3531 760 2400	Baring Medical (Ireland) Ltd Unstoppable Floor Inc Celtic American Club 202 01 453 1021	612.58	13.87	-0.01
---	------------------	---	--------	-------	-------

[illegible]

Old Mutual International Plc 571 Lower Mount Street, Dublin 2, Ireland 00 353 1 6621500	Berkshire KTC Growth Fund Plc 100% ————— 50.10	-1.01
---	---	-------

Chadwell Energy S&P 500	\$1.548	0.00	Blackstone Korea Fund Plc		
Chadwell Energy Asia Eq.	\$0.857	0.00	NAV	\$5.40	-0.02
Chadwell Energy M&I Int.	\$1.733	0.19			
Chadwell Energy M&I Eq.	\$3.059	0.00	Blackstone Funds Management Ireland Ltd		

Call Gallop G&P Regd ...	\$1.323rd	-0.002	0.00
Call Gallop G&P Spec Mkt.	\$1.317rd	+0.002	0.00
Call Gallop G&A Fund Inc.	\$1.554rd	—	5.16
Call Gallop Regd Regd ...	\$0.500rd	+0.001	0.00

AM Galileo S&P Adm Ex... 8	30.814	-0.083	0.00	Smart Money Fd 10W Avg 1H... 881.74	—
Chm Galileo US Dollar Bt... 10	90.957ml	—	5.52		
ChmFm UK Cdn Trnst... 10	27.610ml	+0.004	0.22	CFP Interest Rate Arbitrage Fnd Plc	

Profile International Fund Plc	Calpine Fund		
333 Financial Square, Suite 2	NAV	\$105.00	+0.00

FUND		NAV	YTD % CHG	1-YR % CHG	3-YR % CHG	5-YR % CHG
American F	246.9	+0.1	0.00			
American F	\$3,847	-	0.00			
Pacific F	208.4	-0.4	0.00			

FUND		NAV	YTD % CHG	1-YR % CHG	3-YR % CHG	5-YR % CHG
Capital Vision Fund Plo						
NAV	\$8.64		-0.00			

Latin Pacific F	54.128	-0.057	0.00	For Detailed Index and Firm Rankings
Latin Opportunities F	172.8	+1.4	0.00	
Latin Opportunities F	52.678	+0.022	0.00	
Latin Opportunities F	297.1	+1.0	0.00	

Japan Growth F	1485.555	+0.024	0.00	Global Infrastructure Bond (Invest)	100.00	---
Global Growth F	170.0	+0.4	0.00	Euro Bond Australia	AS1.23	---
Japan Growth F	188.3	-1.3	0.00	Global Divid	3808.105	---
Japan Growth F	92.471	-0.021	0.00	Global Domestic Bond	92.05	---

Technology F	118.801	+0.2	5.06	2040 East Asia China A.	59.3853	-0.0614
Technology F	94.812	+0.004	0.60	2050 East Asia China B.	57.4578	+0.0791
UK Equity Income F	179.6	+0.7	3.57	Tel Performance	58.57	-0.09
Value Bond E	177.6	-0.1	5.88	Technology 2000	57.71	-0.00

Scottish Value Management (Ireland) Ltd (a) 100% Irish-owned company 100% Irish-owned company	Cliff Investment Fund (Ireland) 100% Irish-owned company 100% Irish-owned company	0.00 0.00	0.00 0.00
--	--	--------------	--------------

Investment Policy Section, Number	00-3334-11/000111				
UK Equity	22.34	2.36	---	---	Chelmsford Investment Trust Mngt Company
European Growth	22.28	2.32	---	---	CITC Frontier NAV \$18.55 +0.53
Capital Values	£1.1833	---	---	---	CITC Select Fund Plc

Auto Shows	\$8.15
Chemical Shows	\$8.00
Electron Shows	\$7.40
Flower Shows	\$12.71

Net Sales	711.03	-1.02	2.34	Net Income	35.41	---
Operating Expenses	582.95	+5.09	2.34	Transportation	514.15	short
Operating Profit	728.4	-0.3	2.34	Operating Profit		

IN Deposits	45	\$1,720	-0.002	2.34		
IN Growth	45	776,780	+0.002	2.34		
Initial Bond	4	\$2.53	+0.17	8.11	Asian Star Cos.	\$13.00 14.57
Initial Bond	4	DM2,138	-0.007	8.11	Asian Star SAs	\$29.22 29.50

Global Bond	-4	FF189.4	+0.1	8.17	China Gov	314.00	14.78	Mid
Global Bond	-4	\$1,434	+0.002	8.71	Developing Mkt (2)	520.30	21.33	Mid
Global Bond	-4	FF27,302	+0.018	8.11	Indian Subcontinent	35.13	8.45	Mid
Corporate	-21	788.48	+0.37	-	Indonesian Growth	510.80	11.04	Mid

WPP	+0.9%	BAC 846	+0.03	-	F&G Group	\$28.34	28.77	-
WPP	+0.5%	PAC 24.6	+0.4	-	Daimler Europe Fund Mgrs Ireland Ltd			
WPP	+0.5%	QZ 508	+0.004	-	DE Power Resource Fund (Germany Standard)			
WPP	+0.3%	RIT 137	+0.004	-				

Investment	0.2	\$2.70	+0.16	=	Portfolio 3-A	\$1.00	—
Investment	0.2	\$271.389	+0.008	=	Portfolio 3-B	\$1.00	—
Investment	0.2	Port 17.3	+0.2	=	Portfolio 3-C	\$1.50	—
Investment	0.2	\$0.931	+0.081	=			

Account	4%	FF4,743	+0.04	-	Dragon Korea Fund Plc	
Intl Pan	4%	105.23	+0.05	-	ISW	\$7.935
Intl Pan	4%	DN2,431	+0.04	-		
Intl Pan	4%	FR208.2	-0.1	-	Overseas Kinokuniya Books Int'l Mkt Services	

Al Pan	412	\$1,631	-	Al Wagon Community Fund For	
Al Pan	412	\$10,305	+0.037	1440 Jul 31	\$100.17
Marquet Growth	412	134.91	+0.05		
Marquet Growth	412	1347.885	+0.035		

European Growth	-4%	Fund 43.6	-0.1	-	Dynamic Pacific Portfolio Fund Inc	
European Growth	-4%	\$1,325		-	NAV	\$3.81 +0.15
European Growth	-4%	Fund 856	+0.009	-	Egerton Capital European Fund Plc	
Europe	-4%	70.96	+0.84	-		

_____	4%	DRI 826	+0.022	-	NW Aug 15.....	\$76.75	-0.09
_____	4%	PAT 7.3	+1.5	-			
_____	4%	\$1.080	+0.070	-	Emerging Dynamic Fund Plc		
_____	4%	R-8.893	+0.008	-	Yield.....	\$1.03	

K Emerging London	42	113.28	+0.24	2.36	Emerging Market Growth Fund Plc Nav _____ \$0.484
K Emerging London	42	DA2.677	+0.008	2.36	
K Emerging London	42	PL220.9	+0.2	2.36	
K Emerging London	42	67.788	+0.008	2.36	

Emerging Leaders - 4%	FHL 0.40	+0.022	2.38	F.I.T. Investment Trust Ltd (a)		
Reserve	100.00	+0.02	4.70	F.I.T. Cash Inc.	SP22.49	+0.48
Investment Reserve - 0		00	-	F.I.T. Data Growth	200.64	-0.07
Other Reserve - 0		00	-	F.I.T. Eon Plan	SE-80.05	-0.23

K Equity Income	42	111.71	+0.32	4.80	Falcon Market Fund Plc			
K Equity Income	42	DMZSB1	+0.011	4.80	NAV	\$100.92		0.0
K Equity Income	42	51.733	+0.004	4.80				
K Equity Income	42	PM27.8	+0.4	4.80				
				4.80				

Investment Trust	44	715.80	+0.28	0.97	Framingham Investment Mgmt (Ireland) Ltd		
Investment Trust	44	DM2.672	+0.12	0.97	Magheeb	611.83	
Investment Trust	44	61.793	+0.05	0.97	Frank Russell Investments (Ireland) Ltd (a)		
Investment Trust	44	61.793	+0.05	0.97			

Preferred Income	45	750,000.00	+0.00	0.00	Japan Equity	Y13002.0123	---
Preferred Trust	45	FF10.130	+0.00	0.00	Pacific Basin Equity	8113.02	---
Preferred Income	45	100.00	+0.16	4.03	Seaport America Equity	8118.07	---
Preferred Income	45	DN22.502	+0.00	4.03	Global Fund A	8119.08	---
Preferred Income	45	90.00	+0.00	4.03			

Adjusted Income	47	Per \$100	4.83	Adjusted Income	40	Per \$100	4.83	Adjusted Income	42	Per \$100	4.83
Adjusted Income	40	Per \$100	4.83	Adjusted Income	40	Per \$100	4.83	Adjusted Income	40	Per \$100	4.83
Adjusted Income	42	Per \$100	4.83	Adjusted Income	40	Per \$100	4.83	Adjusted Income	40	Per \$100	4.83

Life Investment Fund - Proteus (x) Blackwater Place, Dublin 1 UK Equity £1,0785 Foreign Equity £0,2388	GNI Fund Management (Proteus) Ltd Global Fluctuante Fd Plc \$10.48 Foreign Exchange Fd Plc 88.73	--- --- --- ---	0.0 --- --- ---
---	---	--------------------------	--------------------------

London	32.8873	For 100 Annet Mfg. (London) Ltd see 100 Annet Mfg. PLC
International Bond	\$1.3000	
Share	120.0143	
Yield	7.18 0271	

Symbol	Company Name	Price	Change
AMZN	Amazon.com Inc	175.00	+0.12
GOOGL	Alphabet Inc Class A	2850.00	+10.00
MSFT	Microsoft Corp	310.00	+1.00
FB	Facebook Inc	185.00	+0.50
APPL	Apple Inc	130.00	+0.25
WMT	Walmart Inc	160.00	+0.50
DIS	Walt Disney Co	115.00	+0.25
BA	Boeing Co	200.00	+0.75
GM	General Motors Corp	45.00	+0.10
F	Ford Motor Co	10.00	+0.05
INTC	Intel Corp	35.00	+0.10
IBM	International Business Machines Corp	160.00	+0.50
ORCL	Oracle Corp	55.00	+0.25
CRM	Salesforce.com Inc	180.00	+0.50
ADBE	Adobe Systems Inc	450.00	+1.00
QCOM	Qualcomm Inc	110.00	+0.25
TXN	Transcendental Technologies Inc	15.00	+0.10
SPY	S&P 500 Index	3450.00	+10.00
QQQ	NASDAQ 100 Index	3800.00	+15.00
DIA	Dow Jones Industrial Average	29500.00	+100.00
VIX	VIX Index	12.00	+0.10
US91	US 91 Bond	100.00	+0.05
US10	US 10 Bond	100.00	+0.05
US30	US 30 Bond	100.00	+0.05
US50	US 50 Bond	100.00	+0.05
US75	US 75 Bond	100.00	+0.05
US100	US 100 Bond	100.00	+0.05
US150	US 150 Bond	100.00	+0.05
US200	US 200 Bond	100.00	+0.05
US250	US 250 Bond	100.00	+0.05
US300	US 300 Bond	100.00	+0.05
US350	US 350 Bond	100.00	+0.05
US400	US 400 Bond	100.00	+0.05
US450	US 450 Bond	100.00	+0.05
US500	US 500 Bond	100.00	+0.05
US550	US 550 Bond	100.00	+0.05
US600	US 600 Bond	100.00	+0.05
US650	US 650 Bond	100.00	+0.05
US700	US 700 Bond	100.00	+0.05
US750	US 750 Bond	100.00	+0.05
US800	US 800 Bond	100.00	+0.05
US850	US 850 Bond	100.00	+0.05
US900	US 900 Bond	100.00	+0.05
US950	US 950 Bond	100.00	+0.05
US1000	US 1000 Bond	100.00	+0.05
US1050	US 1050 Bond	100.00	+0.05
US1100	US 1100 Bond	100.00	+0.05
US1150	US 1150 Bond	100.00	+0.05
US1200	US 1200 Bond	100.00	+0.05
US1250	US 1250 Bond	100.00	+0.05
US1300	US 1300 Bond	100.00	+0.05
US1350	US 1350 Bond	100.00	+0.05
US1400	US 1400 Bond	100.00	+0.05
US1450	US 1450 Bond	100.00	+0.05
US1500	US 1500 Bond	100.00	+0.05
US1550	US 1550 Bond	100.00	+0.05
US1600	US 1600 Bond	100.00	+0.05
US1650	US 1650 Bond	100.00	+0.05
US1700	US 1700 Bond	100.00	+0.05
US1750	US 1750 Bond	100.00	+0.05
US1800	US 1800 Bond	100.00	+0.05
US1850	US 1850 Bond	100.00	+0.05
US1900	US 1900 Bond	100.00	+0.05
US1950	US 1950 Bond	100.00	+0.05
US2000	US 2000 Bond	100.00	+0.05
US2050	US 2050 Bond	100.00	+0.05
US2100	US 2100 Bond	100.00	+0.05
US2150	US 2150 Bond	100.00	+0.05
US2200	US 2200 Bond	100.00	+0.05
US2250	US 2250 Bond	100.00	+0.05
US2300	US 2300 Bond	100.00	+0.05
US2350	US 2350 Bond	100.00	+0.05
US2400	US 2400 Bond	100.00	+0.05
US2450	US 2450 Bond	100.00	+0.05
US2500	US 2500 Bond	100.00	+0.05
US2550	US 2550 Bond	100.00	+0.05
US2600	US 2600 Bond	100.00	+0.05
US2650	US 2650 Bond	100.00	+0.05
US2700	US 2700 Bond	100.00	+0.05
US2750	US 2750 Bond	100.00	+0.05

Pharmacy Dept. 7-9	BPT 68, 1982				
and Pharmacy Dept. 5A	BPTD 4237	-	=	MMW	\$11.89

FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices are available over the telephone. Call the FT Cityline Help Desk on (44 171) 873 4378 for more details.

[illegible]

OFFSHORE

Offshore Insurances and Other Funds

Offshore Insurances and Other Funds

[illegible]

هكذا من الاعمال

APPENDIX[illegible]

South America

- Barrick Gold
- Canac
- Can Int'l BA
- Can Pacific
- 4pc Dmb
- Scho Pass
- South
- Heavstar Sid
- Hudson's Bay
- Imperial Oil
- Inco
- Alcan
- Royal BC Canaccord
- Toronto-Dom
- Trans Can Pipe
- Western Sloe Truck

SOUTH A

Anglo Am Ind.

Bell

Bald Fide Prop R.

- Int. Props.
- SASO
- SAI Group
- Standard Bank
- Tiger Gate
- Tongue-Hickett

GUIDE TO

Prizes for the 1st member of the R.

Company classifi

Activities Share

[illegible]

FT Free
You can obtain
of any complete
the code. FREE
hours including
Reports will
subject to avail-
FT Com
Comprehensive
this company
the last year,
and invest
financial and
balance sheet
recent Stock
Company For
Free. For
To order, call
Reports pub-
FT Cityline
Up-to-the-second
telephone in
Monday's share
An international
outside the U.S.
Call 0171 872-
Cityline.
For readers
dial +44 in p-
The share pri-
available on t

SHARELINK
Helping investors help themselves.

© 2000 Blackwell Science Ltd, *Journal of Internal Medicine* 247: 399–405

SUPPORT SERVICES

	Male	Price
401		1140
402		1140
403		1140
404		1140
405		1140
406		1140
407		1140
408		1140
409		1140
410		1140
411		1140
412		1140
413		1140
414		1140
415		1140
416		1140
417		1140
418		1140
419		1140
420		1140
421		1140
422		1140
423		1140
424		1140
425		1140
426		1140
427		1140
428		1140
429		1140
430		1140
431		1140
432		1140
433		1140
434		1140
435		1140
436		1140
437		1140
438		1140
439		1140
440		1140
441		1140
442		1140
443		1140
444		1140
445		1140
446		1140
447		1140
448		1140
449		1140
450		1140
451		1140
452		1140
453		1140
454		1140
455		1140
456		1140
457		1140
458		1140
459		1140
460		1140
461		1140
462		1140
463		1140
464		1140
465		1140
466		1140
467		1140
468		1140
469		1140
470		1140
471		1140
472		1140
473		1140
474		1140
475		1140
476		1140
477		1140
478		1140
479		1140
480		1140
481		1140
482		1140
483		1140
484		1140
485		1140
486		1140
487		1140
488		1140
489		1140
490		1140
491		1140
492		1140
493		1140
494		1140
495		1140
496		1140
497		1140
498		1140
499		1140
500		1140

[illegible]

Prices for the London Share Service delivered by FT Index, a

Company classifications are based on those used for the FT-SE Actuaries Share Indices.

Closing mid-prices are shown in pence unless otherwise stated.
Highs and lows are based on intra-day mid-prices.
Where stocks are denominated in currencies other than sterling
this is indicated after the name.

Symbols referring to dividend status appear in the notes column daily as a guide to yields and P/E ratios. Dividends and Dividend covers are published on Monday.

Market capitalisation shown is calculated separately for each line of

Earnings used in calculations are based on Wall Street Journal Earnings/Reports. Prices/earnings ratios are based on latest annual reports and accounts and, where possible, are updated on interim figures.

Yields are based on end-prices, are gross, adjusted for a dividend tax credit of 20 per cent and show for value of declared distribution and taxes.

in pence per share, along with the percentage discounts (D) or premiums (Pm) to the current closing share price. The NAV basis assumes prior charges at par value, convertibles converted and warrants exercised if dilution occurs.

† Interim since increased or resumed
‡ Interim since reduced, passed or deferred
④ Figures or report omitted

* Rule 211(c)(4) Overseas incorporated companies listed on an approved exchange.
* Free annual/interim report available, see details below.
* USA; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
* Data 4 that jobs www.eurostat.com and www.oecd.org

1) Near 4,200,000 non-voting common shares
Price at time of suspension
* Indicated dividend yield after pending scrip and/or rights issue
+ Merger bid or reorganisation in progress
\$ Forecast dividend yield; pre based on earnings updated by
Robert Johnson, analyst

<p>A Yield based on unrealised dividend or interest based on</p>	<p>F Yield based on prospective or other official estimates, by</p>	<p>FD (Foreign Income Dividend) If forecast dividend</p>
---	--	---

1936-97
 6 Assumed yield after
 pleading scrap and/or
 repleat issue
 7 Yield based on

yield after scrap cost.
 * Rights issue pending
 † Earnings based on preliminary figures.
 ‡ Dividend yield
 § Prospectus or other official estimates for 1995
 || Yield based on prospectus or other

excludes a special payment.
† Indicated dividend yield, p/e ratio based on latest annual earnings.
‡ Annualized dividend yield, p/e ratio based on latest annual earnings.

<p>N Forecast, or estimated annualized dividend yield, pct based on previous year's earnings</p> <p>O Dividend yield, inc- before a dividend payment</p>	<p>W Yield based on prospectus or other official estimates for 1985-88</p> <p>R Dividend is paid in arrears at least once a</p>	<p>S ex dividend</p> <p>T ex stock issue</p> <p>X ex rights</p> <p>Y ex alt</p> <p>Z ex capital distribution</p>
--	---	---

This service is available to companies whose shares are regularly traded in the United Kingdom for a fee of £1350 a year for each security shown, subject to the Editor's discretion.

• ET Free Annual Reports Service

★ FT FREE Annual Report Service
You can obtain the current annual/interim report of any company annotated with ★. Please quote the code FT8848. Ring 0181 770 0770 (open 24 hours including weekends) or Fax 0181 770 3822.

Reports will be sent the next working day, subject to availability.

★ FT Company Focus / Focus Plus
Comprehensive 10-18 page report available on

the last year, latest survey of City profit forecasts and investment recommendations, 5 year financial and share price performance review.

balance sheet and profit and loss data, plus recent Stock Exchange announcements.
Company Focus (FT news) £5.45.
Focus Plus (FT and Investors Chronicle news) £8.95
To order call 01223 326000 ext 200

FT Cityline
Up-to-the-second share prices are available by

An international service is available for callers outside the UK, annual subscription £250 std. Call 01753 622422 for more details.

For readers phoning from outside UK, please dial +44 in place of the first 0.

The share prices printed on these pages are also available on the Internet at <http://www.FT.com>.

LEGAL DEFINITIONS
close company s. 1 organisation which lacks either windows or air conditioning 2 a company which for the purposes of corporation tax is considered to be under the control of five or fewer participants. see ROWE & MAW: 222p (p4 0171-248 4262)
Rowe & Maw
LAWYERS FOR BUSINESS

FINANCIAL TIMES

Weekend August 17/August 18 1996

SHEERFRAME
Specified
Worldwide
L.S. Protection Limited
Tel: 01773 852311

Australian magnate faces jail again over purchase of Manet painting Bond convicted of company fraud

By Nikki Tait in Sydney

Mr Alan Bond, the Australian magnate who built and lost an international brewing, media and property empire, was yesterday found guilty on four counts of company fraud linked to the purchase of "La Promenade", the French Impressionist painting by Edouard Manet.

The verdict is expected to be followed by another prison sentence on Monday for Mr Bond, 58, who had a brief stint in jail in 1992.

He faces a maximum sentence of five years' imprisonment and a \$20,000 (\$15,000) fine on each of two of the convictions and two years' imprisonment and a \$10,000 fine on each of the others.

The price of "La Promenade" was central to the prosecution arguments, which convinced a jury after two days of deliberation. It was argued that Mr Bond caused his main public company, Bond Corporation, to miss a prime opportunity to buy the painting at a generous discount to its market value in 1988.

Instead, the masterpiece, then being leased by Bond Corporation, was bought by Dailhold Investments, Mr Bond's private company, for \$2.46m.

Dailhold sold it at auction in New York a year later for



La Promenade's price was central to the prosecution arguments

\$17m. Mr Bond maintained the deal was in line with a profit-sharing arrangement between the two companies. However, the prosecution said that this claim was a fabrication.

Yesterday's conviction marks the latest plunge in the remarkable roller-coaster

career of the English-born businessman, who began his rise from a one-man commercial painting company and crowned his success by lifting the America's Cup yachting trophy from the US in 1983.

By the late 1980s, Mr Bond had amassed a huge empire, stretching from his base in

Perth to Hong Kong, London and beyond. But his \$100m business crumbled after the stock market dive in 1987 and the collapse of the Rothwells investment bank in Western Australia, where he was an important customer.

In 1992, Bond was declared bankrupt and jailed over illegal dealings involving Rothwells. At a bankruptcy hearing in 1994, he sought to avoid giving evidence by insisting that illness, depression and brain damage had rendered him unfit to take the stand.

But Mr Bond made an amazing comeback last year, when he persuaded creditors to settle for a tiny fraction of the outstanding debt of more than \$600m, releasing him from bankruptcy.

He married for a second time, and has recently listed his occupation as a "business consultant" while living in an upmarket suburb of Perth.

The conviction will be a welcome break for the Australian authorities, who have been criticised for failing to secure 1990s high-flyers, many Perth-based, were brought to account for their excesses.

And it may not be the end of court appearances for Mr Bond, who faces further court proceedings next year over his part in an alleged \$10m fraud involving Bell Resources.

Dole stakes out the moral high ground

By Patti Waldmeir in San Diego

Mr Bob Dole took his campaign for the moral high ground of US politics to the country's heartland yesterday, after earning lukewarm praise for his speech accepting the Republican party's nomination for president.

At a send-off rally yesterday at San Diego's waterfront, Mr Dole again tried to portray his party as kinder and more inclusive, declaring that "there are no doors on the Republican party" except those through which he invited extremists to leave. He said he left the convention "full of excitement and enthusiasm" and intent on "completing the Reagan revolution".

As Mr Dole spoke, commen-

tators were dissecting his Thursday night acceptance speech, which focused on conservative values and sought to stress the candidate's moral supremacy over President Bill Clinton.

Most agreed he delivered the 57-minute address with dignity and conviction. But some said it was a speech of only intermittent eloquence, with brief passages of soaring rhetoric interspersed with long "laundry lists" of stock Republican policies.

Mr George Stephanopoulos, Mr Clinton's senior adviser, immediately condemned the address as "the most partisan, negative and divisive Republican speech since Barry Goldwater spoke in 1964".

Mr David Eichenbaum, Democratic party communications

director, echoed a criticism made widely by non-partisan commentators: "Bob Dole's speech said a lot more about his past than about America's future," he said.

He also criticised Mr Dole's promise to cut income taxes by 15 per cent while also balancing the federal budget, preserving Medicare (public health insurance for the elderly) and building a missile defence system. "Missing were any details of how we pay for a misguided economic plan that will balloon the deficit," he said.

Echoing the frequent Democratic refrain that the Republican party has been captured by extremists, Mr Stephanopoulos said ultra-conservatives were "the real victors" of the San Diego convention. "They controlled the platform, they

control Republican policy, no matter what you heard from the podium," he said.

But Mr Dole's speech included few concessions to hardline conservatives. In a gesture to the protectionist supporters of his former rival, Mr Pat Buchanan, he made a tough statement on trade, saying he would not "let our national sovereignty be infringed by the World Trade Organisation".

Moreover, he avoided all mention of the core conservative issue of abortion.

One opinion poll showed Mr Dole had received a boost from the convention even before he spoke. CNN/USA Today found that Mr Clinton's lead over Mr Dole has fallen to 11 per cent.

A new enthusiasm, Page 8

Cola war heats up at Venezuela plants

Continued from Page 1

serving a group of Latin American countries. In a flurry of deals over the past year, Coca-Cola has created several such bottlers outside the US with the financial and managerial resources to serve several countries.

Pepsi-Cola and PepsiCo, its parent, have been struggling in Latin America. BASSA, the heavily indebted Argentinean bottler 24 per cent owned by

Pepsi-Cola, recently reported a loss of \$250m because of severe trading problems in Brazil and Argentina.

Pepsi-Cola also recently lost its global chairman, Mr Chris Sinclair, who suddenly after just four months in the post. He was an architect of the "Pepsi Blue", the \$500m global marketing and advertising blitz to switch Pepsi's logo and corporate colours to blue.

Coca-Cola has also been investing heavily - and at a

pace Pepsi cannot match given its smaller size. In eastern Europe, Coca-Cola invested \$1.5bn between 1990 and 1995. Pepsi mustered less than \$500m over the same period.

Cisneros has offered to continue to produce Pepsi for up to a month at 25 per cent of the previous output to give Pepsi a chance to sign up other bottlers. But Pepsi's options seem limited - Cisneros is a near monopoly supplier in Venezuela.

Presley

Continued from Page 1

friend "traded a shirt worth thousands of pounds for a 1957 Elvis album. A Japanese 10-inch 'Love You' album he'd been after for years".

Graceland, yesterday observing the 19th anniversary of Presley's death, was unable to assess the significance of Mr Everett's collection. Nor was Sotheby's, the auction house, which last year sold Presley's bedroome for \$4.14m.

THE LEX COLUMN Pepsi sees red

PepsiCo must be feeling as blue as its new cola cans. Overnight it has lost its market leadership in Venezuela, one of the few countries where it was comprehensively out-selling Coca-Cola, after the local bottler switched over to its red arch-rival, Cisneros, a Venezuelan family business which has been bottling Pepsi for 30 years, has not switched allegiance lightly. But when it took its ambitious expansion plans to Pepsi the company turned them down. Coke, by contrast, offered a joint venture - \$500m of investment and the prospect of making Cisneros its "anchor" bottler for all of northern Latin America.

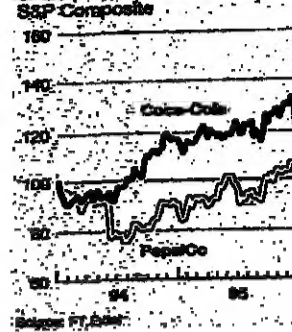
Coke's deeper pockets, sharper focus on soft drinks and willingness to turn its bottlers into strategic partners are helping it to pull away from Pepsi. While the two are still neck and neck in the mature US market, Coke now outsells Pepsi by nearly four-to-one internationally and more so in emerging markets, where the cola wars are bloodiest. In eastern Europe, traditionally a Pepsi stronghold, Coke has invested \$1.5bn since 1990 - three times as much as Pepsi - and now claims over half the Russian market.

Meanwhile, Pepsi's \$500m "Pepsi Blue" relaunch this spring has brought it few concrete gains and the group recently lost Mr Chris Sinclair, its highly respected global drinks chief. After many years when their share prices moved in tandem, Coke's international success has helped it handily outperform Pepsi since 1994. That trend looks set to continue.

FT-SE Eurotrack 200:
1715.9 (+3.3)

Coca-Cola/PepsiCo

Share prices relative to the S&P Composite



Source: FT Advis

speculation continues, new issues are slowing and valuations are not stretched. It may, however, be too early to reach for the champagne.

Moves made during this summer markets are often ripe for an early reversal. And while the US Federal Reserve is not expected to tighten policy when it meets on Tuesday, the odds favour a move before the year-end. If the Dow cracks under the strain, the end of year consensus for the FT-SE of 3,700-3,800 may yet prove correct. Politics are also moving increasingly into the frame, on both sides of the Atlantic. Markets are unlikely to welcome the attendant uncertainties. New Labour is a decidedly less threatening prospect than its predecessors, but the shock of the new still has the power to scare.

EMI

Thorn EMI has been a classic example of the inefficiencies of the stock market. As a conglomerate of music and rental earnings in early 1995, the shares were worth just over £10. But with the final split on Monday, EMI music shares should alone be worth over £14. The theory behind the rise is that investors want focused companies. The reality is that the rental business was a poison pill for potential bidders for EMI. With the formation of a pure music/music retail business, the greater likelihood of a bid gets priced into the shares.

However, even without any bid speculation, EMI's shares mark a value of over £13.50. This represents the same multiple of enterprise value (market capitalisation plus debt) to operating cash flow as its obvious valuation yardstick, Phil-

ipe's subsidiary PolyGram. And EMI looks more attractive. Around one third of profits come from music publishing, the high margin and low volatility end of the music industry. Moreover, EMI does not share PolyGram's expensive Hollywood ambitions.

But some bid premium is appropriate. EMI is the only independent company among the big five music groups. It offers a neat geographic fit with Seagram's MCA record label buyer. But other media conglomerates could be tempted to explore the potential synergies between music and film or publishing. EMI's unimpressive release schedule, combined with signs of a slowdown in music sales, should temper excitement, but investors should consider buying the shares at up to £14.50.

Thorn

Arguably, the real hidden value in the Thorn EMI combine was in the undervalued rental business. Profits growth at demerged Thorn is slowing, and earnings progression has been aided by utilisation of restructuring provisions and the sale of the loss-making Rumbelows shops. Nonetheless, Thorn has substantial operating cash flow, an excellent geographic spread, and is aimed at the growing, but poorly served, target market of cash-strapped consumers. New store concepts, such as Crazy George and new product lines, from computers to washing machines, will more than offset the steady decline of the core UK business of TV and video rentals.

True, Thorn will be the ugly duckling of the currently fashionable retail sector. The company has nothing in common with Marks and Spencer or Dixons - it is more like a leasing business. Nonetheless, it is growing at a healthy rate. Fears of US litigation - over whether rent-to-own leases should have been treated as credit sales - are fading. And the company's predictable and resilient earnings profile provides a pleasant contrast with the cyclicity of its new sector.

Its shares should start trading at around £4, with many US investors making a rapid exit. But in the medium term, a valuation of closer to £4.50 looks reasonable. This represents a 15 per cent prospective price/earnings premium to the market, but it is justified by its growth prospects.

FT WEATHER GUIDE

Europe today
Western parts of the British Isles will be cloudy with rain later. The south-east will be rather sunny. High pressure over the Low Countries will promote dry and rather sunny conditions over France. The Benelux will have bright spells in the afternoon. The northern Iberian peninsula will be unsettled with showers, especially in the north-west. Southern Italy, Greece and most of Turkey will be sunny. Cloud and thunder showers will prevail in eastern Europe, especially in Romania, Slovakia, Poland and the Baltic states.

Five-day forecast
High pressure will give dry, rather sunny and warm conditions in France, southern England, the Benelux and Germany. The Benelux will continue to be unsettled with thunder showers. It will continue sunny and warm over the southern Iberian peninsula, most of Italy, Greece and Turkey.

TODAY'S TEMPERATURES

Location	Temp	Location	Temp	Location	Temp
Abu Dhabi	sun 45	Belgrade	sun 21	Caracas	sun 32
Accra	sun 32	Bombay	sun 32	Cairo	sun 32
Algiers	sun 30	Buenos Aires	sun 20	Cardiff	cloudy 21
Amsterdam	sun 22	Chengdu	sun 24	Cebu	sun 29
Athens	sun 32	Chongqing	sun 24	Colon	sun 29
Bahia	sun 32	Dubai	sun 32	Dallas	sun 29
Bangkok	sun 34	Dubrovnik	sun 25	Darwin	sun 31
Batavia	sun 34	Edinburgh	cloudy 21	Delhi	sun 36
Bombay	sun 32	Frankfurt	sun 25	Doha	sun 36
Buenos Aires	sun 20	Geneva	sun 25	Dublin	cloudy 20
Calcutta	sun 32	Glasgow	cloudy 21	Durham	sun 24
Canton	sun 24	Hankow	sun 24	Harbin	sun 24
Cebu	sun 29	Hong Kong	sun 24	Helsinki	sun 24
Chengdu	sun 24	Hong Kong	sun 24	Honolulu	sun 24
Chongqing	sun 24	Islamabad	sun 24	Isle of Man	sun 24
Chongqing	sun 24	Jakarta	sun 24	Jersey	sun 24
Chongqing	sun 24	Karachi	sun 24	Kuala Lumpur	sun 24
Chongqing	sun 24	Kobe	sun 24	Lagos	sun 24
Chongqing	sun 24	Kuala Lumpur	sun 24	London	sun 24
Chongqing	sun 24	Lima	sun 24	Los Angeles	sun 24
Chongqing	sun 24	Lisbon	sun 24	Madrid	sun 24
Chongqing	sun 24	Luxembourg	sun 24	Manchester	sun 24
Chongqing	sun 24	Lyon	sun 24	Maracaibo	sun 24
Chongqing	sun 24	Macao	sun 24	Melbourne	sun 24
Chongqing	sun 24	Madras	sun 24	Mexico City	sun 24
Chongqing	sun 24	Mumbai	sun 24	Miami	sun 24
Chongqing	sun 24	Nairobi	sun 24	Manila	sun 24
Chongqing	sun 24	Rangoon	sun 24	Medan	sun 24
Chongqing	sun 24	Reykjavik	sun 24	Montevideo	sun 24
Chongqing	sun 24	Rio	sun 24	Moscow	sun 24
Chongqing	sun 24	Rome	sun 24	Murdoch	sun 24
Chongqing	sun 24	Sao Paulo	sun 24	Nassau	sun 24
Chongqing	sun 24	Singapore	sun 24	New York	sun 24
Chongqing	sun 24	Stockholm	sun 24	Nice	sun 24
Chongqing	sun 24	Taipei	sun 24	Nicosia	sun 24
Chongqing	sun 24	Tokyo	sun 24	Osaka	sun 24
Chongqing	sun 24	Tybe	sun 24	Paris	sun 24
Chongqing	sun 24	Ulaanbaatar	sun 24	Perth	sun 24
Chongqing	sun 24	Wellington	sun 24	Prague	sun 24
Chongqing	sun 24	Whitings	sun 24		
Chongqing	sun 24	Zurich	sun 24		

Constant improvement of our service. That's our commitment.

Lufthansa

Lease Plan.
A unique open approach to vehicle leasing.

Lease Plan provides a unique vehicle leasing and fleet management service.

Like many of our competitors we only charge precisely what we quote. But unlike other vehicle leasing companies, we refund any savings we make.

We believe it's only fair that if the basis of the original calculations change, such as maintenance, depreciation, or residual value, we either absorb any loss, or we refund customers any surplus.

Last year alone, our customers benefited by more than \$3 million. And you'll know precisely what your fleet costs because all our calculations are visible and open to inspection.

To find out more, about how Lease Plan can help you find your way around the vehicle leasing jungle, simply telephone or complete the information request below.

0345 65 60 65

Send this information request to Lease Plan, Freeport, PO Box 62, London W87 0TP.

Please send me further details of Lease Plan's unique vehicle leasing and fleet management service.

Title _____ Surname _____ Other names _____

Address _____

Postcode _____

Tel. No. _____ Fleet Size _____ Method of Acquisition _____

Lease Plan
A fair deal in an unfair world

مكتبة الامم